A LONGITUDINAL STUDY OF EMPLOYEE PARTICIPATION IN A JAPANESE MANUFACTURING SUBSIDIARY IN THE UK 1985-1990

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Geoffrey Arthur Broad

Department of Business and Management Studies
(University of Salford)

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ABSTRACT

The recent establishment of Japanese-owned
manufacturing subsidiaries in the UK has created
significant interest amongst both academics and
business practitioners in the way these companies are
managed. There is growing evidence which suggests
that Japanese management practices are now having an
important role in influencing the policies that shape
the internal operations of British firms. Particular
attention has formed around the style of personnel
management and industrial relations being adopted by
Japanese firms in the UK. However, with a few notable
exceptions, surprisingly little research has been
directed toward analysing the *dynamic changes*
occurring in the internal operations of Japanese
manufacturers, particularly in the important area of
employee-management communications and participation.

The aim of the present Doctoral Thesis is to make a
contribution to our understanding of the internal
operations of Japanese firms in Britain by analysing
the episodic changes in employee participation in a
Japanese electronics Company (BIUK) from its
establishment in Britain during 1985 until the end of
1990. This longitudinal investigation is both

descriptive and analytical. The findings cover a range of *formal structures* introduced to generate effective systems of employee management-communications, joint consultation and small group activities. *Attitudes* towards formal systems of employee participation are analysed at different organisational *levels* and amongst various *groups*, including both Japanese and UK managers; supervisors; white-collar staff; and shopfloor workers. The research methodology usefully combines qualitative information from recurrent interviews with a 'core set' of respondents together with quantitative data derived from three comprehensive questionnaire surveys 'enhanced' at regular intervals during the investigation.

A central theoretical dimension concerns the potential transfer and adaptation of Japanese-style involvement practices into a UK cultural setting. This study has utilising Walker's theoretical framework outlined in a 1970 paper on 'Workers' Participation in Management: Concepts and Reality'. Walker's theory suggests that it is helpful to analyse the determinants of workers' participation in management by examining the *participation potential* and *participation propensity* of enterprises (WALKER 1970). The results from the following case study exemplifies the high *participation potential* of newly-established Japanese multinationals.

The findings substantially contradict previous
research output and popular images of Japanese firms
by suggesting that, despite a high *propensity to
participate*, employees are consistently critical of
management's role in communications and consultation
over time. This project challenges assumptions that
the development of formal systems of employee
involvement necessarily nurtures positive employee
responses, even in factories where Japanese managers
have had a strong influence in developing high
involvement personnel strategies. Comparisons
between British 'authoritarian' and Japanese 'human
relations' styles of management suggest that
participation propensities cannot be separated from
daily work experiences. Evidence for this hypothesis
is most clearly manifested by the Japanese *'human
relations'* management style preferred by British
workers.

The successful 'export' of Japanese manufacturing
strategies is seen by many writers to be critically
linked to building concomitant cooperative
organisational cultures. Future localisation
strategies of Japanese multinationals therefore depend
in turn on optimising the interplay between productive
efficiency and labour utilisation. Given the high
level of employee propensities to participate, as
revealed in this case study, it is suggested that the
direction of 'attitudinal restructuring' is a priority

at least as important for *British managers* in overcoming the impediments to high-involvement practices, as amongst shopfloor or white-collar staff.

As this case study illustrates, the juxtaposition of Japanese and UK styles of management presented a learning opportunity for all parties. Yet frictions on issues of authority and control between UK and Japanese managers are a 'third-dimension' found to have important ramifications for developing the propensity of *British managers* to operate in participative modes. The attitudes and behaviour of British managers and supervisors are, therefore, one side of a complex set of relationships. Effecting successful innovations in participative management appears also to be particularly problematic for UK-based Japanese managers on whose linguistic, social and training skills the 'role model' in overcoming resistance to participative organisational cultures may be vitally dependent.

Furthermore, the longitudinal data presented in this thesis also suggests that barriers to changing industrial relations in the workplace cannot be easily achieved over the short run, even for 'greenfield' Japanese firms which display a relatively high participation potential. The findings in this area may consequently have important policy implications for the nature, timing and, ultimately, resourcing of

localisation strategies of Japanese manufacturers
overseas.

In a wider context, the experience in Japanese-run
manufacturing subsidiaries seems to reaffirm the
argument of the debates on industrial democracy and
employee involvement of the 1970s that participative
organisational cultures require more than formal
'structural' experimentation based on either
voluntaristic or legalistic prescriptions. Given that
the historical antagonisms between employers and
employees have reached a stage of embedded cultural
maturity, challenging the bastion of managerial
prerogative in British industry and rigid
organisational hierarchies is likely to require more
than a process of 'Japanisation' to effect long-range
programmes of change.

CHAPTER 1

INTRODUCTION - RESEARCH AIMS AND OBJECTIVES

Ever since the YKK zip-fastener plant was established in Runcorn, Cheshire in 1972, the UK has been the primary location in Europe for the upsurge in direct investment from Japan (CONNOR 1990). By 1990, some 132 Japanese-owned manufacturing units had been established in the UK, estimated to be employing 30,000 people (JETRO 1990).

By far the largest industrial sector for direct investment by Japanese companies in the UK has been in electronics and electrical machinery, where the number of manufacturing enterprises had grown to 45 firms by 1990, employing some 15,000 mainly semi-skilled young female factory workers (JETRO 1989).

These facts, taken together with the undoubted continuing global success of Japanese multinational companies has provided a catalyst for a rapidly-expanding number of studies exploring various aspects of Japanese management philosophy and practice. Particular attention has focussed on the potential transfer and adaptation of Japanese-style management to host country business environments (THURLEY et al 1980; TREVOR 1983; WHITE and TREVOR 1983; TREVOR 1985; TAKAMIYA and THURLEY 1985; OLIVER and WILKINSON 1988).

An under-researched aspect of Japanese multinational firms concerns the efforts of these firms to foster high-involvement management systems, characteristic of organisations in Japan, in foreign cultures (REITSPERGER 1982; REITSPERGER 1986a; REITSPERGER 1986b; BROAD 1986; SAKUMA 1987). Though major strides have been taken in research output on communication and participation issues in Japanese factories in America over the past few years (COLE 1979; JOHNSON AND MAGUIRE 1976; JOHNSON 1977; COLE 1991), the establishment and subsequent development of high-involvement management systems has not been comprehensively analysed in the UK context (SAKUMA 1987 op cit).

The pioneering research output undertaken in the late 1970s, though contrasting sharply with positive media presentations, found little evidence of concerted attempts to introduce participative management techniques and 'consensus management' in newly established Japanese firms in the UK. Scholarly articles emphasised that, although some Japanese firms in Britain had taken 'low key' steps to introduce participative methods (for example, to introduce regularly supervisory briefings), there was a notable absence of concerted attempts to introduce formal participation arrangements (THURLEY et al 1981).

Given the highly developed spread of employee participation in Japan (INGAMI 1983, INAGAMI 1988; BROAD 1987), together with the revitalisation of interest in participative structures amongst sections of British management, it seemed surprising to the author that this *potential* for innovations in participation appeared not to have been translated into personnel management and industrial relations *practice* of Japanese manufacturing plants operating in Britain.

By 1985, when the author made a number of research visits to Japanese manufacturing firms in the UK, there was mounting anecdotal evidence that the deployment of participative management techniques appeared to be greater than the picture presented earlier. Personnel policies in six Japanese firms visited were firmly moving towards a phased development of employee participation. Experimentation was proceeding with direct communications and briefings, integrating consultation and bargaining processes via Advisory Councils and developing small group activities such as Quality Circles and Kaizen Teams.

These policies seemed to be closely linked to developing the willingness or propensities of *both* managers and workers to become involved in a range of factory issues beyond the confines of their immediate

task.   'Participation' for Japanese managers was
something related both to a management philosophy
anchored in a wider social and cultural milieu, and
also to 'rational' principles of optimising the human
resources in business organisations.

Participative practices therefore, appeared to be
very much alive in these Japanese firms, reflecting a
pragmatism towards organisational development and a
willingness to experiment with Japanese methods or to
try new approaches that 'fitted' local circumstances
(WHITE AND TREVOR 1983 op cit).

What was particularly interesting to the author was
that the participative mechanisms being introduced in
Japanese firms were management techniques with a
chequered history in British industrial relations
(MARCHINGTON 1986).   For example, consultation was
thought to have been 'devalued' and largely eclipsed
by collective bargaining machinery in strongly-
unionised industries.   More recently, Quality Circles
(considered to be a Japanese 'transplant'), had
proved to be extremely difficult to sustain over time
in British-run firms (DALE 1984; FRAZER and DALE 1984;
ALLEN 1987).   To what extent, therefore, were Japanese
manufacturers produce the conditions conducive to the
effective introduction of participative management
techniques abroad?   In a wider sense, could the
strategies and experiences of Japanese firms mark the

start of a further 'new wave' of experimentation in
employee participation in decision making in British
industry (RAMSAY 1977)?

For the author, the establishment and subsequent
development of systems of employee participation in
Japanese manufacturing subsidiaries would provide a
particularly rigorous test of whether, and to what
extent, new cooperative organisational cultures could
be 'imported' successfully over time into the 'low
trust', adversarial UK industrial relations
environment. Newly-established Japanese enterprises
therefore provided an ideal 'experimental window' with
which to evaluate a range of high-involvement
management techniques and to evaluate the responses of
employees and managers to these arrangements over
time.

At the coordinative level, could the influence of
Japanese staff be an effective 'role model' for UK
managers in the operationalisation of employee
participation? To what extent could the UK and
Japanese management teams work together towards
developing cooperative organisational cultures? These
complex issues mark the point of departure for the
present study which aimed to investigate the dynamic
changes taking place in participative management
techniques in a Japanese manufacturing subsidiary
between 1985 and 1990.

In setting the parameters for the project it was anticipated that systematic and detailed case study research over several years, rare in Japanese firms abroad, would generate a wealth of empirical evidence central to the intensifying arguments on the so-called 'Japanisation' of British industry. In the view of the author, informed debate on the extent to which Japanese management methods could be credibly described as either 'innovative, practicable or desirable' in Britain, and possibly other countries, would remain limited without case studies that generated soundly-based findings on the *dynamic* structures, processes and relationships evolving in these plants. The policy implications that would emanate from a comprehensive case study of this kind were also thought to have wide significance for Japanese multinational companies operating in Western economies.

The main objectives for this research project were as follows:

(1) To analyse the introduction and subsequent operationalisation of a programme of employee participation between 1985 and 1990.

(2) To describe the main participation structures with particular reference to management-employee

communications, joint consultation and small group
actitivities.

(3)   To analyse the processes of employee
participation in practice, through observation and
detailed interviewing amongst a cross section of
staff.

(4)   To evaluate and compare the attitudes of the main
parties toward participative mechanisms,   and evaluate
how these attitudinal profiles changed at pre-set time
frames during the period of the investigation.

(5)   To outline the research conclusions and policy
implications arising from the main findings of the
research.

The chapters which follow are organised in the
following manner:

Chapter 2 is devoted to a comprehensive review of the
literature on employee communications, consultation
and small group activity in Japanese firms in the UK
The main conclusion derived from this review is partly
theoretical and partly methodological.

The central theoretical proposition draws on Walker's
typology of *participation potential* and *participation
propensity* (WALKER 1970 op cit).   In terms of research

methods, criticisms are raised concerning previous cross - sectional approaches to studies in the field. A vigorous case for a longitudinal approach is put forward as an important element in re-assessing previous treatments of participation practices in Japanese firms in the UK.

Chapter 3 outlines the challenges of organisational access and operationalising a long-term programme of research in Japanese companies. The various phases and methods utilised in the fieldwork are also described in detail.

Chapter 4 contains a review of the business history and location policy of the Japanese manufacturing subsidiary which provided extensive facilties for the project - Brother Industries (UK) Ltd. This chapter also sets the scene for the first five years of development of BIUK by outlining the major organisational changes which took place between 1985 and 1990.

Chapter 5 briefly describes the changing industrial relations and personnel management framework within which developments in employee participation evolved. Included is a description of the local labour market conditions and the steps taken in union recognition. These developments are also discussed with other aspects of personnel policy in BIUK, both in terms of

strategic formulation and operationalisation. Both Japanese and UK management perspectives are examined.

Chapter 6 deals with the main *structures* devised to promote communications, consultation and small group activities in BIUK between 1985 and 1990. How and in what ways did Japanese managers influence policies on employee participation and to what extent were these policies derived from Japanese practice? What role did local managers have in formulating and operationalising these schemes? This section again highlights the differences in approach taken by Japanese managers compared with their British colleagues. What were the day-to-day experiences of managers and shopfloor employees in terms of direct personal involvement, and how did such involvement affect working relationships? The chapter addresses these issues and demonstrates that Japanese companies, despite setbacks, are committed to continuous review and experimentation with methods to raise the level of employee participation.

Chapters 7, 8 and 9 describe the main *attitudinal* findings from questionnaire and interview surveys conducted in BIUK. The quantitative findings from three questionnaires administered in 1987, 1989 and 1990 are supplemented by extensive qualitative interview data gathered from a number of 'core'

respondents on annual fieldwork visits to BIUK between 1987 and the end of 1990.

The main proposition arising from the analysis is that, although employee propensities for participation remained high throughout the study, both employees and Japanese managers were consistently critical of British management's role in communications and consultation processes throughout the whole period of investigation.

Chapter 10 draws out the main conclusions and policy implications from this five-year study. Further data is presented which attests to the high participation propensities manifested by a young, predominantly female workforce. Explanations for the complex and dynamic processes studied are put forward together with a reconsideration of what the data means for a *dynamic theory of participation* in Japanese manufacturing multinationals in Britain. Finally, the policy implications are addressed in terms of the nature, pace and timing of localisation strategies of Japanese manufacturing firms in the UK.

CHAPTER 2

EMPLOYEE PARTICIPATION PRACTICES IN JAPANESE
MANUFACTURERS IN THE UK WITH SPECIAL REFERENCE TO
COMMUNICATIONS, CONSULTATION AND SMALL GROUP
ACTIVITIES: A REVIEW OF THE LITERATURE

Japanese Manufacturers As Management 'Innovators'?

Previous research output on the impact of direct
foreign investment into the UK from Japan has
emphasised a wide range of issues within the broad
contours of comparative organisational behaviour
(TAKAMIYA 1979; THURLEY et al 1981 op cit; TREVOR 1983
op cit; WHITE and TREVOR 1983 op cit; TAKAMIYA and
THURLEY 1985 op cit; TREVOR 1985 op cit; OLIVER and
WILKINSON 1988 op cit). The potential transfer of
Japanese human resources/personnel management and
industrial relations has provided a particular focus
for the the burgeoning research output in the past
decade (REITSPERGER 1985; REITSPERGER 1986a op cit;
REITSPERGER 1986b op cit; OLIVER and WILKINSON 1989).

In particular, the Japanese approach to workers'
participation as an important and potentially
transferable aspect of Japanese human resource
management, evoked considerable interest in the USA
during the 1970s and 1980s (JOHNSON 1977 op cit; OUCHI
1981; PASCALE and ATHOS 1981; LEE and SCHWENDIMAN
1982) and is now attracting increasing attention in
the UK context (BRADLEY AND HILL 1983; WHITE AND

TREVOR 1983 op cit; HILL 1987; SAKUMA 1989; LEWIS
1989; GLEAVE and OLIVER 1990; IRRR 1990).

Whilst this review largely confines itself to the
British situation, it should be noted that the context
for the impact of Japanese multinational penetration
is a global one (TAKAMIYA and THURLEY 1985 op cit;
TREVOR et al 1985 op cit, and others). Indeed, the
past decade has witnessed a veritable explosion of
literature world-wide, concerned with the broad
applicability of the Japanese 'human resources'
management model in 'host-country' environments (OZAWA
1979; LEE and SCWENDIMAN 1982 op cit; SHIBAGAKI et al
1989).

Several writers have referred to this 'transfer
effect' as an aspect of 'Japanization' (TURNBULL 1986;
OLIVER and WILKINSON 1988a, pp 7-10; ACKROYD et al
1988 pp 11-23). The term 'Japanization' referred to
the 'radical' shifts in manufacturing, human resources
and industrial relations practices in British firms
during the 1980s. One element in these 'new'
practices concerned extensive management-employee
communications and other forms of participative
practices. Since high employee involvement practices
are considered to be an important aspect of human
resource management in Japan, what evidence was there
to suggest that they were successfully 'tranferred'
into overseas contexts (INAGAMI 1987, pp 5-8).

Given the recent concerns with the competitiveness of British economy, the expansion of direct Japanese investment into Britain, it was perhaps expected that Japanese firms would be cast in the mould of management 'exemplars'. Like the cases of the USA, Sweden and Germany, Japan's dazzling industrial performance is frequently explained by superior managerial competency and especially the social organisation of production (ABEGGLEN 1958; DORE 1973; CLARKE 1979). This influence appears to be even more pronounced as Japanese multinationals are penetrating domestic markets and bringing their formidable competitiveness directly into view. Little wonder that amongst the range of business and management competencies Japanese firms are increasingly characterised as *innovators* on the British personnel management and industrial relations scene (GENNARD 1974 pp 85-88; WICKINS 1987; IRRR 1981a; IRRR 1984; IRRR 1985; IRRR 1986; IRRR 1990 op cit; WHITTAKER 1990).

The currency of Japanese multinationals as 'innovators' on the contemporary landscape of managerial strategies derives much of its impetus from a widely-held perception of the unsatisfactory nature of workplace relations in British manufacturing industry. UK employers, facing comparatively low productivity levels linked to seemingly-intractable low-trust and frequently conflictual work

relationships have produced an enduring problem of labour utilisation (FOX 1974; THOMPSON 1983). Compared with Japan's participative style of management at home and overseas, applications of employee involvement in the UK under the conditions of intensifying global competition appeared to be comparatively under-developed (MARCHINGTON 1987).

Whilst Britain's competitors in Europe, the USA and S.E. Asia, (FUKADA 1988), were evolving institutional and procedural arrangements that enshrined direct and indirect workers' involvement, it was newly established foreign-owned multinationals that appeared to be setting the pace in the area of high involvement management systems in the UK. For instance, a recent ACAS survey showed that foreign owned firms are more likely to develop participative structures than British owned firms (ACAS 1991). Though little longitudinal research has been undertaken to measure changes in these new firms, a number of articles have argued that newly-established plants are especially likely to embody high employee involvement systems (BEAUMONT 1985).

Nevertheless, there are now clear signals that some sections of British management are moving away from the 'macho-management' styles towards a more collaborative 'human resources' approach to manpower utilisation (STOREY 1989 passim). Contemporary

developments have shown that British employers have been somewhat more proactive in re-examining the opportunities to foster workshop-level, task-based participation techniques as part of the drive toward improving quality and international competitiveness. Not least, the Japanese influence is discerned in attempts to introduce 'flexibility', team-working and total quality management techniques (STOREY and SISSON 1989 pp 179-181; SMITH 1988 pp 41-50).

However, British employers and managers remain highly sceptical of the merits and viability of participative techniques, especially when evidence suggests that their integration requires considerable effort and resources in 're-structuring attitudes' (DANIEL AND McINTOSH 1972; GUEST AND KNIGHT 1979). Management scepticism is especially high when the 'models' are derived from quite different industrial cultures such as those in Japan, (BRADLEY AND HILL 1983 op cit; REITSPERGER 1986a op cit), or imposed through statutory regulation either at home (BULLOCK REPORT 1976) or from the European Community (C.B.I. CONFERENCE 1990)

Despite this the experience of employee participation practices in Japanese firms in the UK is particularly interesting given the wider international debates and the revival of interest in participation within the UK generally. As Marchington has recently pointed out,

international product market pressures are
increasingly placing employee relations within its
corporate context and are having a 'knock-on' effect
on management strategies to increase employee
commitment (MARCHINGTON 1990 p111). Both academic and
journalistic portrayals of Japanese manufacturers have
emphasised that the 'success' of Japanese firms in
terms of building a consensus based organisational
culture in adversarial industrial relations
environments, may present UK employers with new
opportunities to re-think personnel strategies
(KERSHAW 1980; LORENCZ 1981; WEAVER 1982; GUEST 1989).

As is shown in the following pages, a review of the
literature confirmed that the course of introducing
participative schemes had been a cautious and
evolutionary one. Japanese firms have committed
resources to participative ventures in a step-by-step
approach to developing human resources as part of the
effort to combine the development of cooperative
organisational cultures with improved efficiency
(YOSHIHARA 1989 pp 20-21; SAKUMA 1989 pp148-163).

**The Evolving Experience of Participation in Japanese
Manufacturing Firms in the UK**

The starting point for an evaluation of the
participation experiences of Japanese subsidiaries is
the pioneering study of personnel management in

Japanese manufacturers in the UK conducted by the
International Centre for Economics and Related
Disciplines at the London School of Economics (THURLEY
et al 1978; TAKAMIYA 1979 op cit; TAKAMIYA 1985 pp
101-111). This programme of comparative research,
started in 1976, and provided a number of bench-marks
in outlining basic similarities and differences in
industrial relations structures and employee
satisfaction measures among UK, US, and Japanese
manufacturers (REITSPERGER 1982 op cit; REITSPERGER
1986a op cit; REITSPERGER 1986b op cit). This
programme had planned to study the policies and
practices of Japanese multinationals as well as to
investigate aspects of employee participation
(TAKAMIYA 1985 op cit pp 106-110). In the event, the
L.S.E. programme did not concern itself directly with
workers' views on participation (REITSPERGER 1986b op
cit). However, the L.S.E. project did identify that,
up to the early 1980s relatively, few practical steps
had been taken to develop systems of employee
participation amongst Japanese manufacturers. Thurley
drew the conclusion that:

> "There were very few examples of joint
> consultative or representative council
> systems, (partly due to size) and informal
> communications methods are preferred"
> (THURLEY et al 1980 op cit pp 53).

The absence of formal consultative arrangements and Quality Circles was referred to again in a later interpretation from Thurley, who maintained that 'inconsistencies' existed between a theory of Japanese human relations styles and the practical issues of deploying Japanese participation techniques in overseas locations:

> "The proponents of the 'Japanese model'
> have demonstrated the importance of
> participation, equality etc. Unfortunately
> this is an over-simplification. Significantly,
> there are only two cases in Britain where
> serious participation schemes have been
> tried in Japanese firms and both show strong
> influences from British managers working
> in the firm." (THURLEY 1982 p37).

Thurley et al's 'early' assessment was confirmed by several other contemporary studies which specifically investigated the working practices emerging in Japanese firms in Britain.   For example, in 1981 it was reported that no Japanese manufacturer was known to have introduced Quality Circles into their UK based operations (FINANCIAL TIMES 1981 Quoted in TREVOR 1983 op cit). The unexpectedly low level of policy initiatives aimed at enhancing employee involvement previously reported was given still further confirmation when Pinder and Thurley concluded in 1983:

> "There is surprisingly little emphasis on
> participation in any formal sense in Japanese
> firms' subsidiaries in the United Kingdom, with
> the exception of the Plymouth factory of
> Toshiba......There is also no mention of Quality

Circles which have not been widely used by
Japanese firms in the United Kingdom." (PINDER
and THURLEY in WHITE and TREVOR 1983 pp xii op
cit).

White and Trevor's ground-breaking case study of NSK
also offers several revealing insights into the
dynamic relationships evolving in Japanese firms
(WHITE AND TREVOR 1983 op cit). British factory
workers were reported to have responded positively to
the communication skills and to the training capacity
of Japanese advisors:

"They tend to push people a lot, but I consider
you can trust them and learn much from them. The
Japanese engineers are very good, and will help in
any way that they can." (WHITE and TREVOR 1983
op cit p 44).

Particular mention was made by factory workers of the
Japanese willingness to share knowledge and
involvement with subordinates that contributes to a
foundation of trust upon which 'higher' forms of
participation and labour utilisation can be
established. White and Trevor's work is also
important in distinguishing between the differences in
the *modus operandi* of British managers and Japanese
managers that the author later suggests, have
important implications for the *propensity* or
willingness of employees to participate in matters
beyond their immediate task. White and Trevor write:

"In the early days when Japanese influence had
been stronger, relationships had been easier,

> whereas British managers left on their own, tended
> to put up the traditional barriers. Management
> was now less often seen on the shop floor and
> rarely wore the company uniform. There was less
> consultation, and regular meetings had petered
> out." (WHITE and TREVOR 1983 op cit p 68).

Though White and Trevor did not aim to systematically
capture changes in attitudes, their work did highlight
the perceived 'egalitarian' nature of Japanese
management which was valued by shop floor workers and
contrasted sharply with criticisms of the perceived
hierarchical attitudes of British managers.

By the mid-1980s research output on the potential for
experimentation with employee-involvement techniques
in Japanese manufacturers appeared to have shifted
from the earlier, somewhat pessimistic appraisals.
Several academics in the UK were beginning to suggest
that the transfer of consultation and employee
involvement practices from Japan could be *selectively*
achieved within the UK industrial culture (THURLEY
1986 p 13). Few scholars were, however, prepared to
be prescriptive or to suggest which type of management
philosophy or control structure was more likely than
others to be successful in this endeavour.

By the late 1980s some general information became
available on the mounting *incidence* of employee
participation in Japanese firms in the UK. Table 1
contains data extracted from the annual JETRO surveys

TABLE 1: Incidence and Methods of Employee Participation in Japanese Manufacturing Firms in Europe

METHOD		1984	1987	1989
LABOUR-MANAGEMENT CONSULTATION OR COUNCIL SYSTEM	YES	65% (N = 116)	72% (N = 150)	68% (N = 199)
	NO	35%	28%	32%
REGULAR EMPLOYEE BRIEFING SESSIONS	YES	No Data	68% (N = 152)	61% (N = 197)
	NO		32%	39%
QUALITY CIRCLES AND SMALL GROUP ACTIVITY	YES	23%	35% (N = 139)	42% (N = 196)
	NO	49% (N = 116)	65%	58%
	UNDER CONSIDERATION	28%		

SOURCE: Annual Surveys of Japanese Manufacturing Enterprises in Europe, Japan External Trade Organisation, (JETRO 1985, 1988, 1990)

of Japanese manufacturers in Europe. This revealed
that between 1984 and 1989 systems of employee
involvement labour-management consultation, Quality
Circles and regular employee communications had indeed
steadily increased in importance in the operations of
Japanese manufacturing firms throughout Europe (JETRO
1989 op cit pp 29-30).

In a study of 18 Japanese firms in 1987, some 83% said
that they had practised employee involvement (OLIVER
and WILKINSON 1988a). Of those surveyed almost all
indicated that they were operating "successfully".

Additional evidence for a considerable amount of
management effort in introducing participation comes
in a larger sample of 30 Japanese manufacturing
subsidiaries in a another study by Oliver and
Wilkinson (OLIVER and WILKINSON 1988 op cit). Of the
total number of Japanese firms responding some 73%
indicated that Quality Circles were either in use or
being planned (OLIVER and WILKINSON 1988 op cit pp
120- 123). Furthermore, a survey of 25 Japanese
companies in 1990 found that measures to encourage
employee participation, such as consultative councils
and Quality Circles had been implemented in four-
fifths of respondents (IRRR 1990 op cit).

In addition to these numerical cases cited above, some
supplementary material became available that provided

basic outline information on the structures and functions of participative methods (WICKINS 1987 op cit; TREVOR 1988; LEWIS 1989 op cit; MUNDAY 1990). Unfortunately, much of this data is based on somewhat superficial assessments. For example, Japanese-owned subsidiaries in Wales, which has the highest concentration of direct Japanese investment in Europe, are reported to use a 'high degree' of communications at all levels and where information sharing is prevalent (MUNDAY 1988; WINVEST 1988).

Munday's treatment of this subject is also unfortunately, typical of the exaggerated conclusions made from a highly-selective data bases (MUNDAY 1990 op cit). Munday draws exclusively on selective managerial perspectives, suggesting that a common feature of Japanese firms in Wales was the high level of communications between all levels of the organisations. Information was apparently 'shared' at regular meetings and 'open door' policies encouraged by senior management led to the conclusion that:

"Consultative management was very much in evidence." (MUNDAY 1988 op cit p 9).

And furthermore that such arrangements,

"... have reduced the distance between managers and managed through 'consultative management'." (MUNDAY 1988 op cit pp 8-9).

Clearly, there will be variations in the attitudes of parties, both British and Japanese, on the effectiveness of participative arrangements. These are also expected to change over time. For example Toshiba's case appears to have generated a positive response and Trevor reports that the 'success' of the Company Advisory Board can be attributed in large measure to the importance placed on entrusting local management with considerable responsibility in the development of systems of representative employee participation and information sharing (TREVOR 1988 op cit).

At this juncture it is worth noting that, in no case known to the author, have employees directly participated in the design of systems of employee participation. If we also take into account that, in the majority of instances, informants were personnel or other senior management representatives, the 'evidence' is likely to be highly selective regarding the *effectiveness* of employee participation.

Apart from the low level of empirical data on British employees' and managers' attitudes, the literature reveals even less information on *Japanese perceptions* on personnel strategies in UK subsidiaries. Personnel strategies are also based on an assumption that the personnel function is usually delegated to local professionals. In practice, we do not know very much

about the goals which lie behind such strategies, how they are formulated and the extent to which Japanese and British managers work together on issues such as employee participation structures.

The JETRO Reports, cited earlier, also revealed that whilst formal systems for employee participation and communications had become more widespread, they were "not without problems". The 1986 Report specifically referred to the UK situation as one in which,

> "....angry class confrontation between labour and management" and 'them and us attitudes' make the establishment of cooperative style labour management relations and QC circles particularly problematic." (JETRO 1986 p77)

The JETRO 1986 Report also concluded that, whilst some 60% of Japanese manufacturers used labour-management consultation:

> "[they] ...were not functioning well, due to the confrontational type of management and insufficient 'density' of communications compared with Japanese counterparts." (JETRO 1986 op cit p 40)

Towards An Analytical Model of High-Involvement Management In Japanese Manufacturing Subsidiaries

A evaluation of the literature on the personnel management arrangements of Japanese manufacturers over the past 10 years shows that considerable effort in planning the introduction of various types of broadly-defined systems for employee involvement was being set

in motion across a wide range of Japanese-owned
enterprises. This conclusion shows a striking
contrast with the low level of employee involvement
cited in earlier studies.

One important dimension of the present research was to
gather empirical evidence to test the theoretical
proposition that suggests that the performance goals
of Japanese firms abroad *are* inextricably linked to
high-involvement management systems, and to explain
how and why this is so. The inconsistencies in the
published research on participation in Japanese firms
in the UK demonstrate that the picture we have is
incomplete in several respects. As was shown above,
participation clearly operates in formal terms in
Japanese manufacturers, but accounts are highly
general and variable. Useful though the pioneering
studies have been, much of the 'evidence' is anecdotal
and little theorising has been undertaken to enable a
framework of analysis to be constructed which will
allow future researchers to compare conditions in
different organisations.

It is contended here that much of the activity on
participative programmes was 'invisible' during the
early part of the 1980s, partly because of the lack of
detailed case study research and also because the
time-lag for Japanese management strategists to enable
a careful study of 'local conditions' *(potential)*

and, in particular, to assess the willingness of managers and employees *(propensity)* to participate.

Decisions on participation both in terms of the 'fit' between manufacturing systems and social arrangements of production became a pressing priority for Japanese firms intent on maintaining a competitive edge through quality and productivity. Sakuma, for example, suggests that answer to this question lies partly in the goals of high labour utilisation required by Japanese firms which can only be developed slowly within the 'contraints' of the British industrial relations environment (SAKUMA 1987 op cit).

In order to provide a theoretical 'test-bed', an analytical model of high-involvement management systems has been adapted from Walker's contingency model of employee participation for the present Thesis (WALKER 1970 op cit). Walker's theory suggests that a basic dichotomy can be made between *participation potential* and *participation propensity*.

In a manner reminiscent of the socio-technical theories of Tavistock in the 1950's (EMERY 1959), Walker's determinants of workers' participation in management are divided into 'situational' and 'human factors'. In Walkers model, the situational factors 'determine' the participation potential of a particular enterprise; the human factors 'determine'

how far and in what ways the potential in the
situation is translated into reality. The 'human
factors' may be termed workers' propensity to
participate and management's acceptance of
participation.

Participation potential refers to different
'structural' conditions, such as organisational size,
technology and production systems which facilitate or
impede the development of strategies for high employee
involvement. It is proposed in this Thesis that
Japanese manufacturers in the UK have a relatively
high participation potential because of the transfer
opportunities of 'advanced' forms of participation in
Japan and also of the need to both synchronise long
term business goals with effective labour utilisation
under Japanese management production systems at home
and abroad.

Figure 1 shows how the organisational goals, (growth,
productivity, high quality, low price) of Japanese
organisations are adapted to the 'situational context'
of the UK industrial relations culture. Arising from
the involvement potential, methods are then developed
to translate this potential into participative
strategies and structures. Most Japanese firms
develop direct and indirect participative methods and
techniques - joint consultation bodies and small group
activities. Such formal institutions are effective

FIGURE 1: Analytical Framework of 'High Involvement' Management Systems

JM = Japanese Managers
UKM = UK Managers
S = Supervisors
WR = Workplace Representative
O = Operators
JA = Japanese Advisors
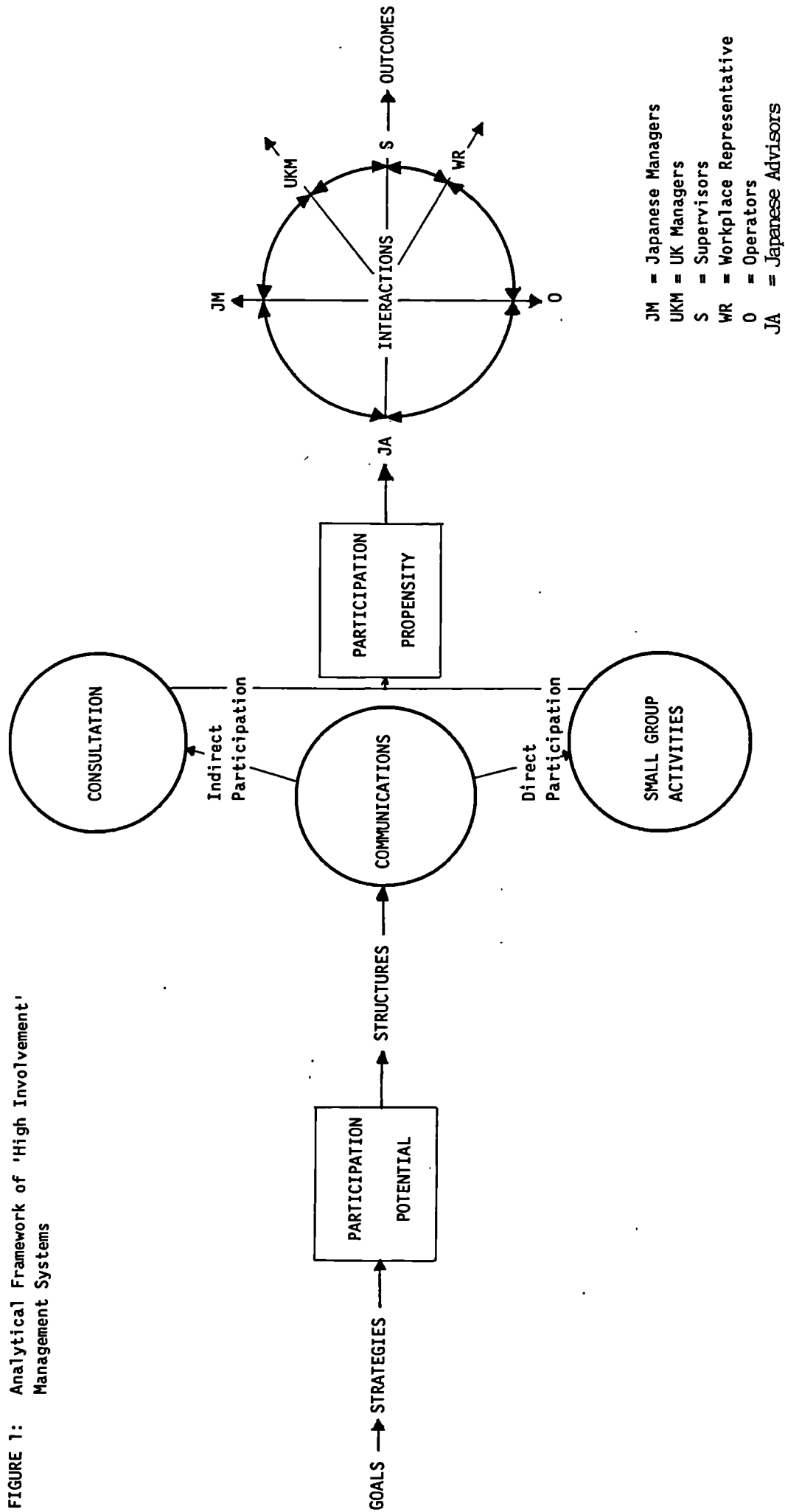
only in the light of the knowledge of the needs and
'propensities' of the management and workforce. This
process involves improving management-employee
communications.

Participation propensity refers to the knowledge,
skills and attitudinal predispositions of managers and
employees to become involved in participative
interactions. These attitudes are critical because if
there is little demand for participation and little
pressure from management to introduce participation,
Japanese high-involvement systems are subject to
significant constraints in different cultures. It is
argued here that the translation of the relatively
high potential manifested by Japanese firms, into
'real' participation, is the most problematic element
outlined in the framework in Figure 1.

Though the Walker 'model' may be criticised in respect
of its 'determinism', nevertheless, it has the
capacity to be applied to newly established firms
where the unfolding inter-relationships can be closely
analysed. In particular, the role of Japanese staff
in the introduction of high-involvement techniques
which can be evaluated over time, as shown in the
'interactions' outlined in Figure 1. The emphasis on
incremental but continuous improvement in Japanese
organisations provide a set of dynamic conditions that

require an analytical framework capable of
encapsulating change.

Whilst Japanese managers bring their 'cultural'
predisposition and competencies to operate in
participative modes overseas, it is by no means
certain that the influence of Japanese ideas will
prove, in the long run, to be effective in the
practical operation of formal participative
structures. To what degree will the ideologies and
values (propensities) of local staff militate against
the high-trust, seen as a necessary precondition to
effect long term high- involvement organisational
culture? There is now sufficient research to
emphasise the dangers of assuming universality in
attitudes (COLE 1990 op cit). By researching
participation *potential* and *propensities* over time in
Japanese firms, a further contribution to a dynamic
theory of organisational behaviour is attainable. The
present research aim is to analyse how the parties in
one Japanese manufacturer have responded to a high-
involvement policy introduced over a five-year period.

In summary, it is argued here that in order to achieve
performance goals (productivity, quality, growth and
profits), Japanese firms *are* attempting to develop a
phased policy of employee participation which requires
an longitudinal research approach. The first stage is
an attempt to establish procedures to facilitate two-

way communications and information disclosure (see
Figure 1). This staged approach is helpful in
explaining the low incidence of participation in the
first wave of direct investment from Japan outlined in
earlier studies. In theory, information sharing
systems form part of a step-by-step approach that
nurtures the mutual confidence and trust thought to be
an important prerequisite for the establishment of
'higher order' indirect and direct participation and
collaboration with management goals through joint
consultation and small group activities (SAKUMA 1987
op cit).

Though the literature suggests that not all Japanese
firms have followed the same patterns of evolution,
nevertheless a *three-stage model* is useful in
identifying the basic participative structures that
operate before attempting to evaluate the reponses to
these (SAKUMA 1987). The following sections of this
review examine the literature which is specifically
concerned with three main categories of formal
developments in participation in Japanese
manufacturing subsidiaries in the UK:- management-
employee communications (stage 1), consultative
councils (stage 2), and small group activities (stage
3).

Management-Employee Communication Systems

In recent years, the utilisation of various management-employee communications practices has become closely associated with the attempts by Japanese companies overseas to develop high-trust relationships by disclosing information on their operational activities to their shopfloor staff (RUCH 1982; SAKUMA 1987). Japanese firms place particular emphasis on the educational role of information sharing, linking the uncertainties of the external 'market' environment with internal production operations (MARCHINGTON 1990 op cit; MARCUS and ZAGO 1987).

'Ownership' of management problems, such as rapid changes in production runs, delivery and quality are 'collectivised' by powerful unitary symbols through regular upward, downward and lateral communications processes. Though communication processes are frequently institutionalised through formal consultative arrangements, considerable emphasis is also placed on 'peer group' interactions and proactive supervisory leadership roles.

Quality Circles also facilitate a supplementary opportunities to pass information downward from management, to identify workshop issues for management attention and to socialise new employees into cooperative attitudes and behaviour (JUSE 1980).

Communications policies in Japanese industry are, it is contended, inextricably linked with achieving a wider employee involvement in sharing work problems with management and appealing to workers to understand and relate to (unitary) organisational goals (IRRR 1981a; RUCH 1982 op cit; JURGENS and STROMEL 1985).

Public statements by senior operational managers, both Japanese and British, have reinforced a growing public perception that Japanese firms abroad have, indeed, brought a greater awareness of the importance of two-way communications as part of a new 'human relations' centred style of management. Set against the alleged poor and 'worsening' performance in the UK, the purportedly 'outstanding' record on employee communications of Japanese manufacturers in the UK has entered into popular mythology (FINANCIAL TIMES 1990; NIHON KEIZAI SHIMBUM 15.7.1988; VISTA COMMUNICATIONS 1987).

Morris' survey found that the most numerous replies by British managers working for a sample study of 20 Japanese manufacturing subsidiaries, on why they believed that such companies are successful, was attributed to their emphasis on quality and their "open communications" (MORRIS 1988 pp 31-40).

Further examples of 'good practice' include Matsushita, which has a weekly communications

briefing meeting with all staff. Nissan and Komatsu have monthly meetings for all employees, given by managers in each department, and daily briefings led by section supervisors (IRRR 1990 op cit). Comprehensive management-employee communications methods are reported to have been accorded high priority at Yuasa Battery and numerous other Japanese electronics firms (MUNDAY 1990 op cit; MURATA and HARRISON 1991).

These communications methods are geared to nurturing positive employee attitudes in many cases from what Japanese frequently observe as a low 'propensity' base - at least compared with the 'normal' situation of highly active information flows in Japanese industry. Communications can, therefore, be seen as the means to a range of desired management goals. Some are short-range functional matters such as regular workshop meetings and inter-departmental information flows. Other techniques aim to raise employee motivation by sharing information and are directed towards a longer term aim of 'self-policing' production systems such as giving the responsibility for quality to work teams (OLIVER and DAVIES 1990 p562).

Though the responses of trade unions generally has been somewhat sceptical, plaudits for the Japanese approach to communications and information disclosure have emanated from national trade union officials,

some of whom see Japanese style management as a
heralding a new era of cooperative and 'egalitarian'
industrial relations. With direct experience of
negotiating many of the new Single Union Agreements
with Japanese electronic manufacturers Sanderson (of
the EETPU) speaks highly of the new 'pioneering open
management' style in Toshiba:

> "We are not dealing with the usually secretive
> British employer who is always looking to pull a
> 'fast one' on you. Toshiba treats the workforce
> as equals with a genuine say." (SANDERSON 1987)

In important respects, this kind of positive
evaluation of Japanese success in developing
communications is surprising since both language and
cultural difference would seem to present enormous
difficulties in effecting smooth adaptations of
Japanese modes of communications amongst local UK and
Japanese staff (DRUCKER 1971).

Though the public profile of Japanese firms'
communications techniques are frequently characterised
as 'exemplary' and a distinctive feature of the 'new
industrial relations' few studies can be cited which
give anything more than spartan details on how such
arrangements operate in practice (BASSETT 1987).
Whilst some notable work has been undertaken in the UK
(WHITE and TREVOR 1983 op cit; SAKUMA 1987 op cit;
TREVOR 1988 op cit) most of the 'evidence' provides
little more than general outlines of formal structures

with some supplementary commentary on management-
employee communications activities (IRRR 1981).

A further problem in understanding plant
communications lies in the 'generic' status of the
concept itself. The nature of issues which may arise
from the development of extensive communications in
Japanese subsidiaries are difficult to evaluate, not
only because of the amorphous 'breadth' of the concept
but also the variability in cultural meaning
associated by different groups and individuals
(GOFFMAN 1971). For example, compared to Westerners,
Japanese are keenly attentive to informal
communications and display a tacit understanding based
on common exposure to the socialising norms of
organisational behaviour (REITSCHAUER 1977).

Miyajima's study of the comparative values of British
and Japanese managers also suggested clear differences
in terms of Japanese acceptance of 'groupism' compared
with norms of 'individualism' amongst UK staff
(MIYAJIMA 1987 pp 77-86). Everett and Stening's
research has usefully suggested that expatriate
Japanese managers who appear to retain their home-
grown attitudes to a very large extent (EVERETT and
STENING 1983 pp 467-475). Other writers have referred
to similarities in formal structure designed for
communications in Japan and in foreign contexts, e.g.
joint councils, that produce quite different responses

from managers and workers (RUCH 1982 op cit p 296;
DILLON 1983).

'Communications' therefore has little meaning unless
linked with cultural 'anchorages' as well as
differences in organisational objectives, structures
and goals. Furthermore the 'communications' process
in practice is rarely a 'neutral' process of
information transmission but forms part of the
everyday 'armoury' of inter-personal relationships in
organisations and can be understood as a political,
as well as sociological, concept.

Commonsense definitions of the communications process
embrace the transmission of information upward and
downward within and horizontally across organisations
RUCH 1982 op cit; CLAMPITT 1991). Studies of
organisational communications in Western contexts have
emphasised hierarchy and the differential access to
information by virtue of position, status or power
amongst various groups in an organisation (CHILD
1984). Other studies of personnel management have
drawn upon theories of interpersonal relations and
social psychology (TORRINGTON and CHAPMAN pp 415-450).

In British industrial relations terms, workplace
'custom and practice' shows a lineage of low-trust
relationships and comparatively low levels of
information disclosure (FOX 1974 op cit. By contrast

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communications in Japan are understood to be bound up with notions of 'corporate citizenship' and powerful symbols of unitarism which contribute to group formation (DORE 1973 op cit). 'Root binding' (nemawashi) requires extensive inter-departmental communications, expressed in the notion that, 'the enterprise is the people.' (NAKANE 1970 p 14).

In Japanese-owned subsidiaries overseas, communications must also take account of 'cross cultural' differences in normative behaviour at both the shopfloor and office levels and at the interface between Japanese and UK managers. Attempts to bridge the gap in cultural awareness through socialising visits to Japan for selected UK staff, have evoked a mixed set of responses TREVOR 1983a pp 109-124). As Trevor has shown in another study, that whereas Japanese managers were aware of shopfloor industrial relations problems and anticipated linguistic problems, they were not prepared for the difficulties with managers, "stubbornly trying to insist on their own way" (TREVOR 1985a op cit pp 20-21).

Studies of Japanese firms in the UK have made it apparent that Japanese managers, despite being briefed on local conditions, have been surprised by the extent of communications 'barriers' between UK management and the shop-floor. Anecdotal evidence suggests that Japanese managers have also faced problems in raising

the awareness of UK managers to recognise the need for
effective systems of communication as an integral
ingredient in the daily work lives of managers.
Differences in normative behaviour can be understood
be examining the differences in the area of
management-employee communications, as illustrated by
the following quotations from Japanese managers in UK
based firms:

> "Family life means communication, man by man. Why
> should there be this difference in the factory?"
> (NAGATA 1981)

> "English staff always complain if we have meetings
> so frequently but I think meetings are useful for
> communication. I [[force] every member of staff
> to know how the Company is going on." (SADA 1981)
> [emphasis added]

In one of the earliest comparative studies of the
internal operation of Japanese manufacturers in
Britain, improving communications was cited by
Japanese managers as an important part of the remedy
for the perceived poor inter-departmental coordination
(TAKAMIYA 1981). In Takamiya's sample, Japanese firms
were at a stage when regular supervisory briefings to
provide direct links through the management chain of
command were beginning. One Company was experimenting
with the Japanese 'Ringi' system of management
reporting and monthly mass meetings (TAKAMIYA 1981 op
cit p 10). Though no detailed survey of the impact on
managerial or shop-floor attitudes of these
communication techniques was undertaken, Takamiya's

study concluded that, though the communication instruments surveyed were rather "unsophisticated management tools", they could be effective if supported by "positive attitudes and industriousness of the workforce" - rather than highly- developed formal structures and procedures (TAKAMIYA 1981 op cit p10).

White and Trevor's research work has been the focus of considerable attention and showed that differences between managerial assessments of communications compared with shopfloor perceptions. White and Trevor comment:

> "It can be seen that the majority of employees at Company C did not feel well informed about what was going on, and even fewer felt that the Company was interested in their point of view. In both these respects the results from JEL indicated a much higher level of communications in the organization both downwards and upwards." (WHITE and TREVOR 1983 op cit p 81)

In a study of human resource management, Sakuma also points to variations in the degree of information disclosure practised in five Japanese firms in the UK (SAKUMA 1987 op cit). Sakuma asserts that information-sharing approaches may be a useful strategy in new factory systems but offers reservations for the potential transfer of such practices from Japan. Sakuma notes that open management systems run risks in terms of managerial commitment and rising employee expectations (SAKUMA

1987, p378). Disclosure practices also raises the question of basic assumptions underlying open communications and the issue of confidentiality.

Though no study of Japanese firms could be traced that adopted a longitudinal research methodogy, an evaluation of exisiting practices revealed a generally *mixed range* of reponses to management-employee communications practices. Results from studies on Japanese firms have however, suggested close linkages between communications methods and the goals of integrating human resources management with business objectives (SAKUMA 1987 op cit).

One explanation given for positive employee responses was seen as reflecting the direct influence of the Japanese approach to communications where employee perceptions of their Japanese bosses were viewed positively as dedicated and caring managers (SAKUMA 1987 op cit; WHITE and TREVOR 1983 op cit). Japanese managers were also reported to be more likely to operate in an 'information-gathering' mode as part of an 'assumption' that they would be more successful if they were able to mobilise a wide spread of the firm's human resources. Alternative explanations have emphasised the nature of inter-personal relationships on the shop-floor and 'respect' for semi-skilled workers by Japanese staff.

What is clear is that perhaps as much by an unplanned 'organic' approach Japanese management style had 'contributed' to the 'breaking down' of status barriers between management and shopfloor. Though somewhat exaggerated in the author's view, Japanese management abroad does appear to have reflected high involvement philosophies and 'egalitarianism' purported to be found in Japanese industry (WHITE and TREVOR 1983 op cit pp 134-146)

Some support for this hypothesis can also be found in studies on the human-relations orientated styles found to have been well received by employees in Japanese manufacturers in the USA (JOHNSON and MAGUIRE 1976 op cit). These findings lead directly to an evaluation of the extent of the direct role of Japanese influence on local management styles in the area of employee communications and participation.

There is a question here that the Japanese can ever be conversant with the political dimensions of work relationships abroad. In Japan, the 'frontier of control' have contour lines drawn quite differently to those in the UK. What could offer a more vivid contrast than the mutual respect for all members of the Japanese 'corporate family' - with values and norms of behaviour, originally derived from Confucian teachings (NAKANE 1970 op cit). Compare this with the idea that promotion to foreman's job is widely seen in

British industry as 'poacher turned gamekeeper'. Such differences suggest that British workplace industrial relations are as 'enigmatic', in different ways from those that predominate in the Far East. Both reflect wider cultural differences and the basic nature of the employment contract (DORE 1973 op cit).

Sawyers' study of seven Japanese subsidiary plants though drawing exclusively on managerial perceptions, pointed to the crucial relationship between extensive direct communications as an aspect economic objectives in terms of improved labour flexibility and productive efficiency (SAWYERS 1986). This approach is commendable since it places communications with relatively less emphasis on 'cultural determinism'. Communications seen in this light reflect a rational long term business strategy towards 'delivering' functional efficiency through shared employee 'ownership' (and accountability) for organisational problems, especially at task levels.

It was suggested earlier in this chapter that in the case of Japanese companies, their *participation potential* is greater because they have a 'greenfield' location, a young workforce, carefully recruited and exposed to a more open participative culture which is reinforced by company induction and training. Managerial strategies to improve communications are frequently guided by the assumption that a better

understanding of the companies operations will lead to more harmonious relations, compliancy, cooperation and greater flexibility. Other studies have suggested that Japanese communications techniques are not easily transferred to Western contexts because, arguably, disclosure of information and extensive communciations are closely linked to the way rewards are negotiated and distributed. Walton and McKersie's distinction between intergrative and distributive bargaining illustrates the differences in Japanese and Western approaches to reward systems (WALTON and McKERSIE 1965).

In the case of Nissan, a strong emphasis is focussed on direct communication with shop-floor workers using the managerial hierarchy to "develop team building and mutual trust" which undermines trade union workshop influence (CROWTHER and GARRAHAN IRJ Vol 19 p57; WICKENS 1985 op cit p19). This view is supported by Lewis's case study of a Japanese electronics plant who concludes:

> "Good communications is part of the unitarists recipe for good industrial relations." (LEWIS pp 7 op cit)

Guest cites a Japanese company in Wales which viewed union recognition as a function of growth and in terms of communicating effectively with the workforce as a whole (GUEST 1989 op cit). Clearly in any

organisation raising the profile of regular employee communications sets a widening set of new parameters for employee *expectations* which have implications for the roles of line management and supervisors as well as employee representatives. These implications are discussed later in this chapter.

Trade union power in Japanese firms has been circumscribed, either by management's refusal to recognise collective organisation entirely, or to place limits on their communications function so as to marginalise their influence. From numerous examples, a statement from Mazak (UK), reads:

> "Communication is particularly important to Mazak and more so in our British plant because we are operating with a local workforce. All decisions are communicated rapidly around the Company. We make effective use of our Staff Council because our employees have not asked to be represented by trade unions." (ABE 1988)

Union recognition for Japanese firms is therefore an issue which not only has implications for settling wages and conditions of employment but seems also to be closely associated with control over the *medium* for disseminating information and the consequent formation of organisational ideologies.

The presence of Japanese managers in controlling positions of authority provides another dimension to

the literature on communications policies. Previous
studies have obliquely referred to 'difficulties' in
communications practices, for example in the area of
information disclosure and confidentiality. These
points of criticism have highlighted the juxtaposition
of Japanese and local managers' communications
networks as part of the complex processes of
information access, retrieval and dissemination
(TREVOR 1985 op cit).

British managers are known to be highly frustrated by
their exclusion from 'essential' information,
especially at strategic and coordinate levels and
problems in accessing the formative meetings of
Japanese staff. Jenner and Trevor quote from the
personnel manager in one firm:

> "The system here is destructive. We feel that we
> are not being totally trusted, not just in our
> ability to do the job, but also to keep some
> information confidential." (JENNER and TREVOR
> 1985, p 144)

These problem areas may in fact be more widespread in
Japanese overseas affiliates than has previously been
assumed (JURGENS and STROMEL 1985 op cit). In the
context of the present study, frustration expressed by
local managers with 'dual management control systems'
have brought calls for greater local *management
participation*, formality in communications, and the

use of manuals to delineate ambiguous procedures and spheres of authority.

However, special difficulties are linked to such formalisation of communications. On one side, Japanese staff are uncomfortable with rigid formal structures. On the other, frustration for many UK managers on being given access to only 'low grade' information is apparent. These barriers have been seen as undermining managerial competence for local managers and feelings of trust.

Communications in companies operating in different cultures also present problems for implicit *expectation patterns* which may be misunderstood, or simply missed, by local and expatriate managers since the receivers of information may not associate the same clusters of meanings as does the sender (RUCH 1982 op cit). There are clear implications here for understanding both Japanese philosophies and local styles and customs and the necessary resourcing the training required.

Japanese depend on local managers for acting as the communications and information 'lynch pin' but herein, however, lies an interesting juxtaposition of Japanese approaches to information disclosure and British styles. Cases have been documented on the specific problem of information as both a power resource which

affects the extent to which local managers are prepared to pass on information to shop stewards or supervisors (BOISOT 1983 pp 161). There does seem to be a potential here for management conflict, in both informal and formal structures and processes.

Unlike the situation in Japan, the form and content of management-employee communication in Western countries is usually connected to questions of conflicts of interest. In simplified terms, employee cooperation is subject to bargaining processes (JURGENS and STROMEL 1985 op cit). That is perhaps one explanation why workers develop *informal systems* of 'jungle' communications outside the official management channels. 'Intermediary power' rests with British management, particularly with 'pivotal' supervisors, on the selection and dissemination of information in Japanese controlled organisations abroad. Given that 'hands-on' Japanese management is usually reduced over time, the extent to which local management are prepared to listen and act on shopfloor sentiments may become *'retrogressive'*.

There is, therefore, some evidence that the residual worker resentment toward UK supervision (CHILD and PARTRIDGE 1982) reappears without the counterveiling influence of Japanese staff. White and Trevor have pointed out that British workers feared that as control passed into the hands of British managers the

special features of the factory would be lost,
reverting back to being a 'typical' British factory
(WHITE and TREVOR 1983 op cit p 135).

A secondary explanation for the prioritisation of
communcations, is the aim of overcoming the dependency
of Japanese managers who have a built-in disadvantage
in the communications 'power relationships' (OLIVER
and WILKINSON 1988 op cit). 'Communications' is best
viewed as part of the pragmatism of Japanese firms
(WHITE and TREVOR 1983 op cit) and is therefore
closely linked to *organisational learning* . Amongst
other aspects of business activity this is manifested
in educating a workforce about the uncertainties of
the market (external) and the concommitant (internal)
flexibility sought (MARCHINGTON 1990 op cit).

To summarise, research on management-employee
communications in Japanese firms in the UK remains in
its infancy. Amongst other writers Guest's work
points to the development of Human Resource Management
techniques in the UK being exemplified by several
Japanese companies which have highlight employee
communications as an aspect of improving employee
commitment and participation (GUEST 1989 op cit).
Like the American studies cited earlier, Guest also
concedes that the evidence in the UK appears to be
mixed.

In practice, the impact of communications policies on employee attitudes and behaviour are probably more complex because they are likely to be influenced by environmental factors and the *prior orientations* of employees (BRADLEY and HILL 1983 op cit p 294) as well as internal management policies. Both of course, have to be set against a changing scenarios. The situation is complicated further by 'twin-track' management systems, different cultural assumptions regarding matters such as information disclosure and the prior values of management and employees towards hierarchy and expected role behaviour.

Several insights may, however, be drawn from the literature. In terms of the analytical model outlined in Chapter 2, communications may be seen as the first step in raising the willingness or 'propensity' of employees to *listen* at least to problems/goals that go beyond a narrowly defined 'wage-effort' bargain. In other words, achieving a basic dialogue under cooperative conditions is the short term aim of increasing the range and 'density' of communications in Japanese overseas subsidiaries, not only as a functional end but also as a vital 'springboard' for more 'advanced' forms of participation discussed below.

Joint Consultation Practices and Company Councils

Arrangements for employee consultation have received considerable attention during the 1980s as an aspect of personnel management strategies which address the problem of confrontational industrial relations (HAWES and BROOKES 1980 ; MACINNES 1984; MACINNES 1985; MARCHINGTON 1986 op cit). The presence of Japanese subsidiary firms, making a 'success' of consultative practices, has added fresh impetus to the contemporary debates on the viability of joint consultation in British industry (OLIVER AND WILKINSON 1988 op cit).

As identified earlier in this chapter, published research on Japanese manufacturers undertaken up until the mid-1980s accorded relatively little attention to detailed study of consultative arrangements (BROAD 1989). However, Consultative Councils and Advisory Boards are now a distinctive feature of the personnel management and industrial relations structures of Japanese companies operating throughout Europe (IDS 1989, OLIVER AND WILKINSON 1988 op cit). These new 'progessive' institutional arrangements evolving in Japanese companies contain several elements that deserve attention.

Firstly, consultative committees are part of a range of practices being developed that provide a representative structure for employee communication,

participation and 'consensual' industrial relations
that function irrespective of union membership.

Secondly, Japanese-style Consultative Committees have,
in cases where unions are organised, been designed
deliberately to break away from conventional British
industrial relations practice by *integrating*
consultation with collective bargaining processes.

Reference has already been made to a recent ACAS
survey which also noted that the use being made of
participation practices appears to be more widespread
in foreign owned, particularly Japanese
establishments, compared with the British owned
counterparts surveyed in that Report (ACAS 1991 op
cit). However, other recent surveys suggest that
joint consultation in many sectors of British industry
was, anyway, undergoing something of a renaissance
from its somewhat 'tarnished' profile as a management
technique unable to command support from employees in
situations of strong workplace unionism (McCARTHY 1966;
MILLWARD and STEVENS 1986; MARCHINGTON and ARMSTRONG
1985). Recent developments in consultative practice
in Japanese firms in the UK should therefore be
analysed in this wider 'revivalist' context.

In a general survey of personnel practices in Japanese
firms, cited earlier, JETRO reported that around a
third of all manufacturers in Europe were legally

obliged to introduce Labour-Management Councils because they operated in countries which had statutory labour laws covering their establishment (JETRO 1989 op cit). Table 1 showed that around two-thirds of Japanese manufacturing firms in Europe had established a Labour-Management Consultation or Council System. Voluntary schemes for joint councils were found to be especially active in the UK, and Japanese affiliates were reported to be "positively approaching" the introduction of consultation as part of a range of methods to promote employee participation (JETRO 1989 op cit).

The L.S.E. research programme cited earlier in this chapter also suggested that there was some evidence that Japanese influences are gradually being felt on emergent representative structures and collective bargaining machinery in their subsidiaries in Britain (TAKAMIYA and THURLEY 1985 op cit). One of the earliest examples of participation systems in the Britain was Sony's Consultation Council which was was set up in 1979. Toshiba's Company Advisory Board was established in 1981.. Both represented a new form of employee representation which together with the 'single union agreements', set a new highly controversial model that other Japanese electronics manufacturers were to emulate (GREGORY 1986; BASSETT 1987 op cit)

This type of 'fused' consultation-bargaining arrangement has been followed by more than twelve other Japanese electronics manufacturers including Inmos, Sanyo, Sony, Hitachi, Sharp and Brother - all of whom have emphasised consensus and extensive communications and participation arrangements (IRRR 1990 op cit). Other agreements have also followed these electronics sector deals, notably with Nissan, Komatsu and the AUEW (IRRR 1985 op cit). These companies have also chosen to adopt a similar dual consultative-bargaining role for their Company Advisory Councils (CROWTHER AND GARRAHAN 1988 op cit; GLEAVE 1987).

The main reasons put forward by Japanese firms for the introduction of Joint Consultation Committees, found in the series of JETRO surveys between 1984 and 1989, reinforced the overtly 'humanistic' intentions of these firms to consider the welfare and working conditions of its employees. The most frequent statements given by Japanese firms for introducing participation through Consultative Councils included:

- to promote teamwork and cooperation;

- to provide a forum for communications and information disclosure;

    - to deal with complaints and grievances;

    - to improve the "pschological well-being" of

      employees through involvement in management;

A further reason noted in the 1966 Report was the

candid admission that Japanese firms had introduced

employee councils with the aim of:

    "Preventing entry of outside unions and

    preventing third parties from touching internal

    company problems." (JETRO 1986 p 35)

Japanese multinationals, aware of the adversarial

industrial relations, were apparently anxious to avoid

competitive multiunionism by either complete union

avoidance strategies or alternatively by electing for

single union agreements where collective bargaining

would be plant-based with a miniumum of outside

'interference' (TAKAMIYA 1985 op cit pp 196-198;

REITSPERGER 1986 op cit pp 72-78). It is also

interesting to note that the JETRO researchers made

particular reference to the adverse British experience

of joint consultation councils which was:

    "....considered to be due to the confrontational
    type of labour-management relations and the
    insufficient degree of communications compared
    with Japanese counterparts." (JETRO 1986 op cit
     p 40)

It is well known that joint consultation has a long
history in UK industrial relations and there is a
voluminous literature covering both historical
developments and current practice (MACINNES 1984 op
cit; MARCHINGTON 1986 op cit). Though it is not
proposed to review comprehensively this literature,
it is important to raise a number of key elements in
the British experience of joint consultation that
helps to put developments in Japanese firms into
perspective.

Though there are a small number of examples of the
direct integration of bargaining and consultation
(DANIEL and McINTOSH 1972 op cit p 93-110), these two
processes have usually formally maintained a discrete
function. Conventionally joint consultation in
British industry has operated as a series of forums
and in which employee representatives exchange
information with management and where the views of the
workforce may be "taken into account before decisions
on particular issues are taken by management" (GOODMAN
1984 p 104).

It is normal that despite the 'unitary' overtones of
conventional consultation processes, to a greater or
lesser extent, joint consultation committees operated
with two 'sides' — quite unlike the attempts in
Japanese firms — to develop a 'no-side', open
discussion (ACAS/WINVEST 1986). Invariably,

consultation forums do not have formal powers to take decisions and, though *some influence* is brought to bear, managerial prerogatives remain intact (BRANNEN 1983 pp 49-65).

Critics of joint consultation have stated the case that employee representatives have 'responsibility without power' (MACINNES 1984 op cit). Another theory suggests that, in certain circumstances, managerial prerogatives are actually further legitimised through the involvement of employee representatives (LOVERIDGE 1980). Joint consultation could therefore be construed as part of unitary management strategy 'dressed up' as a 'pluralistic' one (PURCELL and SISSON 1983).

It is likely that despite management efforts to 'cultivate' a consultative relationship with workers, there are numerous instances where adversarial attitudes have impeded the development of collaborative industrial relations. This probably accounts for the dominant characteristic of British-style joint consultation; namely, separate channels for collective bargaining which have been largely sustained, despite falling union membership and developments in Human Resource Management (DANIEL and MILLWARD 1983).

In summary then, unlike the situation in Japanese industry where consultation is virtually indistinguishable from collective bargaining (PARK 1984; BROAD 1986 op cit; INAGAMI 1988 op cit), a fundamental characteristic of joint consultation in the British context is the *separation* of these two processes. It is assumed that there will be issues and matters of 'common interest' between managers and managed. Additionally it is assumed that issues for joint consultation can be delineated from 'conflictual' collective bargaining topics which centre on pay and conditions of employment. Marchington argues that joint consultation may, in some companies, be developed as an *alternative* to collective bargaining where the atmosphere for consultation must remain as non-controversial as possible in order to preserve the 'fiction' that there is no real conflict of interest between the management and the managed (MARCHINGTON 1986 op cit).

The unitary ideology which characterises the conventional British consultative committee appears to have a particular attraction for Japanese firms. Japanese managers orientations tend to strongly emphasise 'corporate citizenship' and who have seemingly preferred to explore an integrative mode of conflict resolution (WALTON AND McKERSIE 1965 op cit). As cited earlier, Japanese executives overseas encourage representative structures which, they

perceive, can help to bridge the 'gap' between managers and managed.

The participation potential in Japanese overseas subsidiaries was always likely to be undermined by the militancy of workplace unionism and the likely impact of an adversarial relationship would neither fit the Japanese management ethos. Consultative arrangements aim to provide a symbol of unitarism, i.e. complementary interests between management and employees. The influence of 'outside' bodies, such as trade unions can therefore be relegated to a marginal position (LEWIS 1989 op cit).

Although the theory that suggests that collective bargaining has only a limited influence on the broad range of managerial prerogatives, it does have the important sanction of resorting to threats of strikes or other measures that interupt production (STOREY 1983). Japanese employers, conversant with British adversarial industrial relations, have been faced with several choices regarding union recognition (REITSPERGER 1986 op cit).

Where Japanese companies have recognised unions, they have signed single-union agreements which explicitly give the union a *collaborative* role. Toshiba's agreement with the EETPU sets out a specifically supportive role for the trade union within a Company

Advisory Board, which is the single representative
body on all matters affecting employees and the first
stage in the disputes procedure (TREVOR 1988 op cit).
It has been approximated that around 50% of Japanese
firms in the UK have combined arrangements where union
representation co-exists with consultative councils
(OLIVER AND WILKINSON 1989 op cit).

Four principal alternatives for coping with the need
to address the situation relating to conventional UK
negotiating procedures (adversarial) and strategies to
foster (cooperative) labour-management consultation in
Japanese firms may be posited:

(1)   The first is where no formal structures for
consultation exists, usually in small firms where
face-to-face communications are preferred *(Informal
Model)*.

(2)   The second is where there is a clear procedural
separation of joint consultation from collective
bargaining and where structures operate along the
lines of conventional British custom and practice in
unionised workplaces *(Separation Model)*.

(3)   A third model is where Japanese firms have
developed joint consultation to replace collective
bargaining *(Substitution Model)*.

(4) The fourth model is where companies have
developed joint consultation as a prior stage before
formal negotiations begin within the same combined
structure and procedures *(Combined Multi-stage Model)*.

For some Japanese companies consultation appears to
provides a mechanism for an unambiguous union-
avoidance strategy. Union avoidance strategies apply
at Mitsubishi and Oki and the former company claims
that its elected staff consultative committee, (which
among other things prepares an annual wage claim),
has:

> "....obviated the need for a union". (GUEST 1989
> op cit p49)

A review of current practices also strongly suggests
that, where union recognition is not granted, there is
an emphasis on the Substitution Model and in cases
where recognition is granted the combined Multi-stage
model is in the ascendency, especially in the
electronics sector (OLIVER AND WILKINSON 1989 op cit).
Smaller firms appear to opt for the non-union,
Informal Model.

As shown later, the author suggests that longitudinal
data may indicate that growth patterns often result in
changes in policy and practice, for example from the
Substitution Model to the Combined Multi-Stage Model.
In the latter cases, consultative/collective

bargaining procedures are deliberately blurred to minimise the influence of shop stewards.

These new developments are usefully seen as part of a revival of interest in *integrating* joint consultation with collective bargaining and in theory in a non-competitive format. There are clear similarities here with the Japanese enterprise bargaining model (BROAD 1987 op cit). Paradoxically, it is this 'combined model' which, largely because of strong workplace unionism, has been difficult to develop in British industry over the years (McCARTHY 1966 op cit). Longitudinal studies are therefore of particular interest in evaluating the experiences of such arrangements in Japanese-owned firms.

Consultation in Japanese firms seems also to involve a strong element of unilateral managerial control in terms of the formation and procedural rules. Top management, perhaps facing rather inexperienced workplace representatives, have been in a strong position to frame the constitutions for joint consultation in areas such as:- deciding constituency boundaries; who shall act as chairman; what information is to be disclosed, when and in what form; and the procedures that govern the sessions?

However, as pointed out by several writers, because of the unpredictable dynamics of consultation and the

ambiguity that surrounds the consultation-bargaining
frontier, a continuing capacity by management is
required to;

> "... maintain control over the consultation
> agenda so it remains free from bargaining
> issues" (BOUGEN and OGDEN 1987).

Except for the work of Trevor and Lewis, to date,
there are few studies which have examined the dynamics
of these relationships in the workplace and
ascertained the views of the parties involved.
Neither had the operation of combined consultation and
collective bargaining structures yet been explored
over time. It is open to speculation as to how these
arrangements are operating in practice except for
official company statements or basic data on formal
procedures for example that negotiation meetings are
kept separate from 'normal' Council meetings. At
Hitachi the Company Council makes recommendations on
pay and conditions which then become triggered later
as formal union management negotiations (IRRR 1985 op
cit p 5).

Trevor's study of Toshiba concluded that there was
"general satisfaction" with the work of the Advisory
Board, where 70% of respondents said that the Board
was effective and 27% ineffective (TREVOR 1988 op cit
p200).

Lewis pointed out the lack of maturity in the roles of young Representatives in a Japanese electronics firm.

> "There was a feeling that the representatives needed more experience of the process to develop a greater understanding and become more skilful. Several employee Board representatives admitted to feeling 'green' when they commenced their duties. There was a lack of willingness to open-up before management, for fear of consequent reprisals" (LEWIS 1989 op cit p7)

In that company there was also an ambivalence on the part of management toward collective respresentation. It appeared that Representatives were encouraged to act as *individuals* to gather issues and grievances in pre-meetings of constituents and bring them to the attention of management in a consultative setting. Lewis concluded that:

> "Management prerogative is still clearly intact in the case of the consultative purpose of the board because the management may reject the Board's recommendations....Management shares decision making in the traditional collective bargaining manner." (LEWIS 1989 op cit p 6)

It is, however, known that the combined consultation-negotiation arrangements have created a degree of friction over procedures whilst disputes over representation have arisen in several Japanese firms.

In the Komatsu case, anecdotal reports suggest that management appears to have gone to considerable

lengths to prevent an 'us and them' situation arising
by banning pre-meetings and mandates from constituents
and then adopting a deliberate seating mix of managers
and staff representatives for meetings (INCOME DATA
SERVICES 1989 op cit p 3).

McFadden and Towler have criticised the Nissan
consultation arrangements because they argue that it
weakens trade union influence by reducing the
traditional shop stewards' role as a 'lynch-pin' in
the communications network and the dilution of union
power because Council representatives do not have to
be trade union members (MCFADDEN and TOWLER 1987:-
quoted in OLIVER and WILKINSON 1988 p 63).

Toshiba's Company Advisory Board (CAB) also adjusted
its constitution when managers were informed about
decisions that affected them directly only after their
subordinates or unofficially through the 'grapevine'
(BASSETT 1987 op cit p 129). At a later stage,
representatives had difficulties interpreting
financial information and implementing an adequate
feedback system to constituents. There were other
indications that the CAB had not maintained a
substantial level of interest on the shopfloor - as
illustrated by the pro-active role of the Personnel
Department in stimulating interest in elections and
acting as 'administrators for elections'. It is also
known that conflicts have arisen between the shop

stewards and CAB members in the same work area
(BASSETT 1987 op cit p129-130).

The author's own anecdotal evidence from research
visits to six Japanese factories suggests that the
situation is changing quite rapidly. For example
emergent *informal arrangements* are known to have
developed in Japanese firms to facilitate union
election to Councils and for secret ballots of
employees outside of formal procedures. This point is
discussed further in Chapter 8.

Earlier, it was mentioned that consultation is
constantly under 'threat' in unionised firms of
spilling over into bargaining. It is interesting to
reconsider the evolution of integrated types of
consultation and bargaining with the conclusions drawn
from McCarthy's seminal work in 1966, when he argued
that plant consultation committees;

> "....cannot survive the development of effective
> shopfloor organisation. Either they must change
> their character and become formal negotiating
> bodies or they are boycotted by workplace
> representatives and fall into disuse or are
> reduced to discussing trivia." (McCARTHY 1966 op
> cit)

It remains to be seen whether the predictions outlined
by McCarthy will be relevant for Japanese firms for
the future. What is clear is that the labour force
Japanese manufacturers is dominated by young female

staff and labour markets today are quite different
than the circumstances of the 1960s and trade union
power in the workplace is significantly diminished.
In any case, recent research cited earlier shows that
McCarthy's projected demise of joint consultation to
be somewhat ill-judged. Furthermore, consultation
also appears to have been somewhat more resilient than
McCarthy expected, especially in regard to the value
placed on workers' access to information and the
opportunity to gain insights into long term policy
issues which affect job security (MARCHINGTON and
ARMSTRONG 1985; DANIEL and MILLWARD 1983 op cit).

In summary, it can be concluded that Japanese
companies (with union recognition), have on the whole
preferred an integrated consultative - negotiative
model in the UK field of operations. Most Japanese
manufacturers have broken away from the convention of
(at least attempting) clearly to separate consultation
from collective bargaining. Rather, personnel policy
has stressed the consultative and communications
aspects of representative forums though the forum of a
Company Council or Advisory Board.

In this overview of the literature, it has been argued
that the underlying principles of unitarism and
'common interests' make joint consultation a rational
choice for medium and large Japanese manufacturing
firms in the UK. The main explanations for this

choice centres on the maintenance of a dominant role
for managerial control in consultative bodies; assists
in the evolution of a cooperative organisational
culture by improving two-way communications; and
facilitates a degree of information disclosure (SAKUMA
1987 op cit).

Evaluating the research to date, communication and
consultation appear to have been accorded primacy over
collective bargaining. Steering away from
conventional collective bargaining procedures, with
their adversarial connotations, line managers are
frequently expected to deal with individual
grievances. In certain respects this marks a move to
place the personnel function *on the shopfloor itself*.
Almost all consultative councils established in
Japanese firms handle single and collective
grievances, not resolved individually, at the shop
floor level. In this sense consultative committees
function to 'screen' contentious issues before being
processed by separate union negotiating machinery.

Consultation also provides an opportunity for access
to top Japanese management and offers some prospect
of legitimating management decisions by sharing
discussions. Additionally, it provides an opportunity
to assist in consensus building. This latter function
is particularly attractive in the ethos and
philopsophy of Japanese firms in the UK who wish to

integrate employees into the Company 'family' and concomitantly raise the awareness of the 'shared' problems concerning the business of the organisation.

Though not discussed in the literature in any detail, consultation also provides a highly visible opportunity for *Japanese managers* to evaluate the style of UK managers in their approach to employee communications and information disclosure. This is a theme to be discussed later in Chapter 8. It is suggested in Chapter 6, that, contrary to previous assumptions, Japanese managers may exert a more significant influence on strategic personnel issues. In the case of representation, this instance reflects the preferred Japanese arrangements for integrated systems that predominates in Japan where the two processes are often indistinguishable from each other (INAGAMI 1988 op cit). In Japan over 90% of Japanese firms employing more than 1000 employees have a consultation committee and firms without formal consultation are not regarded as 'modern professional' enterprises (BROAD 1987 op cit pp9-10).

The foregoing review also raises several theoretical and practical issues. One important issue concerns the prospect that such consultative/bargaining forums undermine trade union autonomy and influence. McFadden and Towler argue that trade union influence is weakened since team foremen at Nissan eliminate the

traditional role of the shop steward as the "lynch-pin" of the workplace communications and grievance structure (MCFADDEN an TOWLER 1987 op cit).

It does seem convincing from the sources reviewed that joint committees function to blur the distinction between consultative and collective bargaining processes, a technique designed to broaden the scope of 'common interest issues' between employer and employees'. With the exception perhaps of Trevor's work with Toshiba, there is little empirical evidence with which to evaluate these experiements, especially as to how they are evolving over time. There is little doubt that there are pressures on such arrangements. One such source of pressure is where union members are in a minority and consultative forums are composed of both accredited shop stewards and a separate group of workplace representatives elected from the workforce as a whole.

The experiments with 'fused' representation in Japanese manufacturers also challenges the theory that joint consultation emerges only when management is facing a challenge from rising employee bargaining power (RAMSAY 1977 op cit). In developing such 'fused' systems these new arrangements may also contradict the theory that the integrity and ultimate survival of joint consultation depends on the

maintenance of clear boundaries between negotiation
and consultation (McCARTHY 1966 op cit).

A further issue for Japanese firms raised here is how
far the combined consultation-bargaining model will
prove to be successful over the short, medium and long
run. Will the practical learning experiences of young
British workers in newly established Japanese firms be
significantly different in the current climate?
Unlike the situation in many British firms, Japanese
managers see consultation procedures as part of the
training function. Employee participation enables
'key workers' to learn about a range of business and
production problems that cut across the narrow
interests of the section or department. What is not
as yet understood, is whether the possibilities that
such training opportunities provide, will bring any
significant change in work orientations or industrial
relations.

Diffusion of Small Group Activities

Earlier in this chapter it was argued that, by the
mid-1980s the 'spread' of participative arrangements
in Japanese subsidiary plants in the UK was
accelerating from its earlier 'under-developed' state.
As shown in the section following, this assessment of

a phased introduction of developments in employee participation also applies to the incidence of small group activities in Japanese manufacturers. An examination of the past ten years suggests that many more Japanese subsidiaries actually were, or were planning, the introduction of small group activities than had previously been documented (JETRO REPORTS 1986-1990 op cit; OLIVER AND WILKINSON 1989 op cit).

'Small group activities' refer to a form of workplace participation where groups of employees are given an opportunity by management to directly exercise influence and control over everyday work decisions. Amongst a variety of techniques devised to perform this task Quality Circles (QC's) are probably the most familiar in the UK, though Zero-Defect Groups, Kaizen Teams, Zone Groups and Participation Action Circles are names which are also used to symbolise small group activities (COLE 1991 op cit).

Amongst a range of participative practices, the success of Quality Circles in Japan has attracted most attention internationally. Quality Circles involve small groups of employees who normally work together and volunteer to meet regularly to solve job-related quality problems but also discuss productivity, safety and sometimes social or psychological issues (JUSE 1980 op cit). The assumption underlying Quality Circles is that all employees are capable, though not

always willing voluntarily, to contribute to productive efficiency. Quality Circles, like joint consultation, reflect an assumption that management and workers share at least some common interests in achieving their individual, group or organisational goals.

In Japanese industry, the ideology of 'common interests' between employers and employees and their representatives is particulary deep rooted (DORE 1973 op cit). 'Membership' of a company brings responsibilities to participate in small group activities and personnel departments devote significant resources to ensure that Quality Circles are regularly revitalised to ensure that the utilisation of workers skills are maximised (BROAD 1987 op cit).

Therein lies one significant impediment to the emulation of the potential in Britain, where the social relations in the workplace have been variously described as class based and confrontational, compared with the welfare corporatist and neo-paternalistic Japanese model (DORE 1982; COLE 1979 op cit; HILL 1986). A recurrent theme in the international management literature has been whether, and to what extent, the Quality Circle concept is a 'culture bound phenomenon' (AZUMI and McMILLAN 1975; BRADLEY and HILL 1983 op cit; HOFSTEDE 1984).

Japanese specialists in human resource development
have also raised fundamental questions on the
viability of direct employee involvement which depends
upon 'assumed' levels of employee commitment beyond
the 'cash nexus' and class orientated industrial
relations, especially in Western countries (SASAKI and
HUTCHINS 1984; ISHIDA 1986 pp103-120). The importance
of QC's as an instrument in developing a greater
employee commitment to product quality and task
efficiency is however, a development seen in many
others countries, athough not usually without
individual and collective resistance (MARSDEN et al
1985 pp 111-116; PARKER 1985; TURNBULL 1986; COLE 1991
op cit).

Though some radical writers have acknowledged that
ownership of the 'process' is overwhelmingly dominated
by management, small group activities can,
nevertheless, be viewed as a step toward heightening
workers competencies and 'full, democratic
participation' (ISHIKAWA 1981; PARKER 1985 op cit).

Alternative theories suggest that participation in
QC's will naturally 'wither' as workers recognise that
the 'true' conditions under which they operate are
severely limited (PARKER op cit 1985 pp 43-47).
Labour process theorists have viewed team working and
small group activities as part of the 're-building' of
workplace human relations in essentially de-skilled

jobs but under conditions that are unilaterally
manipulated by employers (LITTLER 1982; THOMPSON 1983
op cit pp 93-121).

Another idea to be explored later suggests that
managements' plans for devolving some control down to
the workshop has unintended consequences on the
participants' attitudes and behaviour. For example,
the *propensity to participate* may undergo significant
changes, though in which direction it is difficult to
predict. It is known, for example, that employee
enthusiasm for involvement can change rather quickly
under conditions of rationalisation or a change in
management personnel (LOVERIDGE et al 1981).

One British study which analysed the personnel
management structures of Japanese manufacturers up
until the mid-1980s, pointed to a reticence on the
part of Japanese senior management to embark upon
programmes of direct employee involvement through
Quality Circles (REITSPERGER 1986b). Though the
thinking behind personnel strategies in newly-
established Japanese firms was clearly in the early
levels of a 'learning curve', Reitsperger concluded
that the apparent hesitancy over the introduction of
QC's could be attributed to the risk attached in
meeting corporate objectives through a high-
involvement mode. In terms of Walker's analytical

model outlined earlier, the participation potential was seen by Reitsperger to be unacceptably low.

In an electronics example, Japanese executives steered away from QC programmes and, under the influence of British personnel professionals, favoured developing individual competitive reward systems to induce worker commitment, rather than adopt a more uncertain strategy of small group participation (REITSPERGER 1986 op cit p85). Trevor has also referred to the substantial training investment required to improve the basic skill levels of UK operators, as a further barrier to the costs of the introduction of Quality Circles (TREVOR 1985 op cit).

Even as recently as 1987, at a time when over 90 Japanese manufacturing firms had located in the UK, there were further reports that Quality Circles had not been extensively established. For instance, Morris's study found that only five from 20 plants were using Quality Circles (MORRIS 1988 op cit). Morris also notes that other Japanese firms were known to have attempted to use Quality Circles then, but had apparently discarded them (MORRIS 1988 op cit).

Explanations for the problems encountered in these cases prove to be frustratingly illusive and little research has been attempted that allows more than generally speculative evaluations on the background

and operational dynamics of QC's from these early
abandonments. The related problems of research access
in newly established Japanese firms is discussed in
Chapter 3.

It is, however, possible to conclude that a process of
phased development, quite similar to those discussed
earlier for the growth of communications systems and
consultation, can also account for the apparent
inconsistency between earlier and more contemporary
portrayals of employee participation structures in
Japanese firms (SAKUMA 1987 op cit).

A second point concerns the time required for Japanese
staff to make considered evaluation of the potention
for introducing participative methods in the UK
context. Guided by their direct and 'pooled' learning
experiences with British management and shopfloor
workers, appears to have influenced Japanese
executives that the establishment of small group
activities was feasible.

The growth of small group activities during the 1980s
has been surveyed by JETRO's annual audit of Japanese
manufacturing companies in Europe. The data shown in
Table 1 also revealed that there has been a sustained
expansion in the spread of Quality Circles and other
small group activities from 23% to 42% amongst

Japanese manufacturers in Europe between 1984 and 1989 (JETRO SURVEYS 1984-89 op cit).

Further support for this growth pattern can be found from a large sample of Japanese manufacturers used in Oliver and Wilkinson's study, which also found extensive use of Quality Circles and concluded that this development was significant, not only for sections of British industry, but also for Japanese firms based in the UK (OLIVER AND WILKINSON 1988 op cit).

Oliver and Wilkinson's interpretation regarded the progessive evolution of Quality Circles as distinctively different from the Quality of Working Life Experiments of the 1960s and 1970s, which principally addressed the challenge of rising employee aspirations and problems of labour turnover. Contemporary interest by Japanese firms in work organisation, team working and Quality Circles is seen as being prompted more by 'rational' strategies by Japanese employers to attain efficiency and quality measures rather than being primarily driven by strategies aimed at improvements in the quality of work life *per se* (OLIVER AND WILKINSON 1988 op cit; PANG AND OLIVER 1988 op cit).

Japanese authors have tended to evaluate the potential for developments in participation around the premise that the biggest obstacle for Japanese overseas

affiliates lies with a combination of worker instrumentalism, cultural individualism and management's lack of the deep commitment thought necessary to operationalise participation as part of a high involvement organisational culture (ISHIKAWA quoted in HILL 1987 op cit pp 7-8).

Clearly the Japanese management framework of internal labour markets, groupism, employee welfare and employment security and the absence of rigid job boundaries, all militate against the diffusion of direct participation technques Britain and other Western countries (COLE 1991 op cit).

Using rather more prosaic language, JETRO Reports have also pointed to the significant effort required to get European workers to do what is accepted as 'normal' in Japanese industry - basic housekeeping and maintenance of production areas (JETRO 1989 op cit). Japanese observers suggest that the acceptance of responsibility for such basic items is necessary for an *improving attitude* and an important first move toward further employee involvement (SAKUMA 1987 op cit). In the 1986 Report JETRO stated that:

> "It will take some time to teach such workers' the Japanese way of doing things i.e. cleaning up in preparation for the next day's work before going home, even after the end of the work hours."
> (JETRO 1986 op cit p49)

Though the sample of respondents was small in the same
1986 JETRO survey it was noteworthy that several
companies had reported achieving 'some success' in
using QC's. Specific mention was made to the aims to:

> "... to raise employee morale and to strengthen
> the employees' sense of belonging and other
> 'psychological effects" (JETRO 1986 op cit p 50)

There is also, some anecdotal evidence that the main
impetus for the introduction of employee involvement
practices had come mainly from expatriate senior
Japanese managers following a 'test' of local
mangerial attitudes. From the author's own case
sources it seems reasonable to deduce that the QC
concept had been promoted as an important policy
initiative and prompted because the 'organic' growth
of small group activities had not been spontaneously
proposed by local managers as many Japanese had
(perhaps naively) anticipated (SCHONBERGER 1983).

Though it is not proposed to evaluate the extensive
literature on QC's in British firms which can be found
elsewhere, (RUSSELL 1983; DALE 1984 op cit; DALE and
LEES 1987), it seems plausible that the indifferent
record of successful long term QC programmes can
perhaps be attributed to the 'alliance of reticence'
on the part of middle management, union officials and
shop stewards (DALE 1984 op cit; HILL 1987 op cit).

Recent evidence on the deployment of QC's in British
industry suggests that the barriers to their
successful diffusion are being tacked seriously as
part of the linkage of employers' HRM strategies with
a concerted 'quality offensive' in the face of growing
international competition (RUSSELL and DALE 1989 p 3).

In recent years the introduction of QC's appear to
have been adopted by British management at an
accelerating rate and, according to a recent
comprehensive survey of private sector firms QC's had
become a significant feature of employee relations in
as many as one quarter of all establishments (ACAS
1991; SMITH 1988).   The expanded diffusion of small
groups over the past five years can be measured by the
fact that such activities were not even listed in any
of the working practice initiatives listed in the 1984
DE/ESRC/PSI/ACAS survey (MILLWARD and STEVENS 1986 op
cit).   Like other forms of employee participation
discussed in the ACAS survey, Quality Circles are
more likely to be found in foreign-owned
establishments (ACAS 1991 p 14), though the success of
these activities has yet to be determined (LITTLER
1985 p 26).

It therefore appears that the extent to which the
spread of small group activities in Japanese firms can
be said to be operationally effective or successful
remains inconclusive.   For example how do we define

'success' or 'failure'? By cost savings or other financial measures, efficiency or quality indices, in terms of sustainable behavioural or attitudinal changes - or a mix of these possibilities (SHERWOOD 1985)?

Given this UK background it appears that even in Japanese firms, where one would expect a higher potential for participation (WALKER 1970 op cit), only slow progress was predicted for small group activity in the British industrial relations environment and that Quality Circles would need to grow "organically and could not be imposed by management" (MORRIS 1987 op cit).

Reitsperger, with a touch of irony, has suggested that the absence of small group activities in Japanese multinationals abroad, should be of considerable consolation to Western managers, since the competitive edge displayed in foreign contexts by Japanese manufacturers appeared not to be dependent on the cooperativenes and statistical competency of shopfloor employees (REITSPERGER 1986 op cit p 85).

Establishing enduring QC programmes has also proved difficult because there is the assumption of high employee and management commitment (participation propensity) and motivation or, at least a viable level of commitment, that can be generated by establishing

or changing organisational cultures. Organisational psychologists have argued that introducing this type of employee involvement is dependent on management's motivation to establish the 'right' organisational infrastructure and 'climate'.

As Shenkar has argued, many studies treat Quality Circles as a 'unique' phenomenon without examining their association with workplace social and political relationships and their possible impact on other organisational practices and participatory management (SHENKAR et al 1989 p 57-58). The issue of the *inter-play* between workers' willingness to participate in small group activities and management behaviour is developed more fully in Chapter 9 but the Japanese priority is clearly illustrated in the following quotation:

> "The most important place in the Company is the shopfloor – the genba. In Japan we regard the shopfloor as a sacred place from which we can all learn. All senior managers will be involved with shopfloor detail, so that all decisions will be taken in full knowledge of how it will affect the Company at the shopfloor level." (ABE 1988 op cit)

So far it has been argued that the problems of breaking with traditional areas of management control and the tendency for Western workers to have an instrumental orientation to work are acute in the development of small group activity which, in itself, assumes a propensity to participate on *both sides.*

For example, Bradley and Hill's study with 'model' employers in the chemical and pharmaceutical sector in 1981 specifically examined the adaptation and effectiveness of Quality Circles borrowed from 'high-trust' settings in Japan and transferred into 'low-trust' British settings with largely mixed results (BRADLEY AND HILL 1983 op cit).   Some estimates put the failure of Quality Circles in British industry to be as high as 75% of the total introduced - especially during the critical formative stages of their introduction (DALE 1984 op cit pp 63).

In one of the few longitudinal studies, Hill reported that over a four year period, 40% of the sample had survived, largely because of senior management's drive and commitment to the schemes (HILL 1986 op cit). Even in those firms where Quality Circles had not survived a significant number believed that there were not only tangible financial benefits but also, in social and psychological terms, employee involvement, higher levels of motivation and better working relationships (HILL 1986 op cit).

Overall then the empirical evidence suggests that at least amongst UK firms, the QC principle appears to be a *fragile* management technique, dependent on a complex range of influences. This suggests that some organisations will be more amenable to small group actitivities than others. Unlike other studies of UK

firms where a *change* in organisational culture is deemed to be central, research on Japanese firms raises issues of establishing QC's in newly-established organisations. A further dimension concerns the dynamics of how Japanese and British managers communicate and reconcile differences in approach and style. As Hill as pointed out:

> "QC's are not only a method of gaining access to the wealth of specific job knowledge and experience possessed by every employee in an organisation, they are also a form of participative management which may require adjustments on the management's side" (HILL 1987 op cit pp 3).

Introducing small group activity programmes often provides Japanese managers with an opportunity to evaluate the 'inner and outer' bands of local management commitment and motivation. This kind of information is clearly important for a range of coordinative issues, such as the level and resourcing of training. It is known from the author's Japanese informants, that such data is useful feedback for corporate planning at international levels.

At the level of the workshop, production responsibility for quality implies operator participation, responsibility and commitment. The attrition of QC's suggest that the difficulties in developing such attitudes should not be underestimated. Evaluating QC activity also depends

on the sensitivity of research methods. Wilson has
referred to resistance to QC's as being solitary,
covert and even conspiritorial (WILSON 1989 p 30).
The gradual attrition of enthusiasm can be seen as a
'life-cycle model' of small group involvement summed
up by Dale who suggests that:

> "As Quality Circles mature in an organisation ...
> they tend to become viewed as an instrument of
> management than as an opportunity for employees to
> initiate improvements."   (DALE 1984 op cit p 63)

In theory there may be a higher potential for small
group activity in essentially de-skilled assembly
occupations, particularly in the new electronics
industry where the sense of occupational ownership,
built on a craft apprenticeship, is virtually non-
existent. However, this theoretical potential
requires significant management effort if it is to be
exploited.

In one Japanese case study management development
emphasised Total Quality Management techniques and
training programmes were designed with employee
responsibility for raising quality in mind (HORN et al
1987 pp 21-22). Appraisal systems that include small
group performance are increasing in Japanese firms
visited by the author and also integral to reward
systems in Japan itself. However, as previous studies
show, British workers are not used to an involvement

expectation beyond their immediate task - something
which has been inculcated by Japanese employers over
several decades (WALL AND LISCHERON 1977; BROAD 1987
op cit).

The person who knows most about the machine is the
operator, not the engineer. In Japan small group
activities aim to reduce the distance between the
design 'upstream' and the operational 'downstream',
and is achieved through the feedback function.   To
formalise participation procedures, people must first
'feel' they are contributing and this requires
supportive feedback from managers. In the British
industrial culture workers first ask, 'What do I get
out of it'?   This is the main reason why Japanese
firms abroad were at first paying close attention to
reward systems.

Overall, these developments can be evaluated as a
management strategy to develop a new *frontier of
worker allegiance* that attempts to adjust
individualism within a team base of peer-group
pressure and then erects cooperative 'role models' set
by junior supervisors. At a later stage team-based
work organisation is linked with issues of performance
appraisal, promotion and reward systems. As
Reitsperger points out:

> "Japanese managerial behaviour ... works to
> eliminate the occupational consciousness upon

which British union organization and Western work
group attachment are based and ... is refocussing
operators attention from shop steward to
supervisors." (REISPERGER 1986a op citp83)

In evaluating the literature it is also apparent that
that QC's, in themselves, frequently *create* inter-
employee tensions and unanticipated consequences on
social and workplace power relations (BRADLEY and HILL
1983 op cit p 295). These dynamics are also bound up
with the communications issues discussed earlier.
Employee participation may involve, for example, an
erosion of or sharing of information and/or control by
supervisors (CHILD AND PARTRIDGE 1982; MENTO 1982).

It also seems important to examine the extent to which
many British run firms companies fail to change wider
command structures and communications methods when
they introduce 'top down' participation. As studies
of UK firms have shown, the most frequently expressed
criticism by middle managers is that their bosses
expect them to adopt a participative style while
retaining a directive mode of authority themselves
(RUSSELL and DALE 1989 op cit p 11).

At later stage of development Quality Circle
participants may receive information that short
circuits established management channels, perhaps
cutting across departments (BRADLEY and HILL 1983 op
cit p 294). These 'leakages' threaten the influence

of managers by allowing information to flow outside
their range of control and therefore, reveal
inadequacies in management competence.   In certain
circumstances therefore, middle managers and
supervisors may possibly attempt to neutralise their
influence.   Are British managers therefore, able to
cope with more participative styles initiated and
promoted by Japanese senior managers?   To this extent
therefore, UK managers may actually have a vested
interest in QC failure (LEWIS 1989 op cit)?

Alternatively, where supervisors are given
responsibility to act as Quality Circle leaders or
facilitators this may serve to heighten their
'visibility' to Japanese senior staff and so improve
their promotion prospects, or vice versa.   This, in
turn, may have implications for relations between
supervisors and may serve to raise the (planned)
competitiveness amongst them and also amongst work
teams (REITSPERGER 1986b op cit).

In summary, the lack of detailed case studies and the
difficulties of access for research have combined to
prevent anything more than tentative assessments of QC
deployment in Japanese firms.   Oliver and Wilkinson,
for example, point to instances of both relative
success and failures amongst Japanese manufacturing
subsidiaries but rely exclusively on managerial

evaluations concerning their effectiveness (OLIVER AND
WILKINSON 1988 op cit pp 122-123).

There is also scant empirical data on why there
appears to be differential 'success' rates amongst
Japanese firms. Trevor's contributions in this area
also provides helpful anecdotal material, especially
in outlining the proactive stance on the introduction
of small group activities taken by Japanese senior
managers in Anglo-Japanese joint ventures. Trevor's
work also highlights the scale of difficulty in
implementation and directs attention to the Japanese
perception that there is a need to 'infuse' new
management attitudes and styles to achieve productive
results via Quality Circles (TREVOR 1985 op cit p 51).

The question to be tackled later in this Thesis is the
extent to which newly established Japanese firms can
establish a relatively high-trust set of social
relations in the workplace in green-field sites with a
relatively young and inexperienced female dominated
workforce so as to enable a sustainable programme of
small group activities.

Evidence from British companies has shown a rather
indifferent performance, especially in sustaining QC's
over time. Bradley and Hill's study concluded that
whilst there is strong evidence for the hypothesis
that Quality Circles improve workplace relations in

some ways, there is little evidence to support the
assertion that QC activity have changed the core
values of workers or managers which continue to
emphasise a low trust and adversarial relationships
(BRADLEY and HILL 1983 op cit). In Japan it is the
enduring nature of small group activities that
highlights *management's commitment* both in principle
and practice (BROAD 1987 op cit).

The Logic of Participation in Japanese Overseas Subsidiaries

Definitions of workers' participation in management
have been rehearsed in the literature over several
decades (BLUMBERG 1968; EMERY and THORSRUD 1969;
WALKER 1970 op cit; WALL and LISCHERON 1977 op cit;
LOVERIDGE 1980 op cit). Most definitions of
participation refer to the influence and involvement
of workers in the decisions above and beyond the
immediate task in the organisations in which they
work. Amongst a wide variety of institutional
stuctures set up to give effect to the idea of
workers' participation, a useful distinction has been
made between indirect forms of participation through
representative consultation/collective bargaining and
direct involvement in task or production matters.

Walker's framework for participation, outlined
earlier, suggested that the scope for employee
involvement must address "stubborn human problems"
of work organisation, hierarchy and authority in
enterprises which affect the participation
potential of organisations (WALKER 1970 op cit p
2). In practice, therefore, it has been shown
that the diverse attempts to encapsulate employee
participation in a simple definition is fraught
with difficulty (LOVERIDGE 1980 op cit p 297).

Arrangements for participation in Japanese firms
in the UK demonstrate yet another strand in the
ongoing theoretical debate on employee
participation and introduce a range of functional
and cultural dimensions not previously considered.
Here it is suggested that the lack of theoretical
propositions on participation can be at least be
partly filled by adapting Walker's theory of
participation potential and *propensity* to the
situation evolving in Japanese manufacturers
abroad.

The foregoing review has also shown that the
establishment and subsequent development of
employee participation is an element in the
management of human resources which is of
increasing importance in Japanese subsidiaries in
Britain. Japanese companies seek to maintain a

'fit' between rational manufacturing systems
(potential) and 'humanware' (propensities) whilst
adjusting to local conditions and culture (INAGAMI
1987 op cit p 6; OLIVER AND WILKINSON 1989 op
cit).

It has been postulated that these participative
developments cannot be simply explained by
strategic managerial reactions to either labour
market considerations or appeals to 'enlightened'
humanistic theories. Participation arrangements
in Japanese firms are more convincingly explained
by their 'common sense' attraction in *combining*
solutions to certain problems of productive
efficiency whilst simultaneously addressing social
and psychological problems of Taylorism and
organisational hierarchy (THOMPSON 1983 op cit;
REITSPERGER 1982 op cit).

Compared with Western economies, participation in
Japan can be viewed as an 'advanced model' of
employee integration in that, both formally and
informally, involvement is construed as a
responsibility and duty inseparable from 'ordinary
work' (BROAD 1987 op cit). The rapid cycles of
product and process innovation in manufacturing
demands flexible human responses communicated via
participative structures at task, coordinative and
strategic levels (MONDEN 1983; PIORE and SABEL

1985).   Set in the wider context of a Japanese
employment system, company consensus and harmony
reinforce national support mechanisms for
participative programmes which are almost entirely
absent in the UK (COLE 1979 op cit).

The orchestration of employee participation by
Japanese employers (BROAD 1987 op cit), has
brought over thirty years or so, significant
advantages of highly competitive industries.
Critics have, however, suggested that employee
participation has been refined within a highly
authoritarian and unitaristic set of work
relationships (ISHIKAWA 1981 op cit; PARK 1984 op
cit).   These methods present a 'normative
challenge' for Japanese overseas operations who
seek to develop an employment contract that goes
beyond the narrow 'cash nexus' relationship
towards a 'high-involvement mode' (LAWLER 1986;
INAGAMI 1987 op cit).

The experience of Japanese firms in the UK is
especially interesting from both theoretical and
practical perspectives.   One important area
concerns whether, and to what extent, Japanese
approaches to employee participation actually mark
a *distinctive set of radically new ideas* or,
instead, reflect aspects of changing human
resource management stategies already set in

motion in the same direction in the host country
(MARCHINGTON and PARKER 1988; STOREY 1989 op cit).

More widely, participation appears to be
undergoing a post-Bullock revival (ACAS 1991 op
cit; MILLWARD and STEVENS 1986 op cit), and a
number of research projects have attempted to link
developments in British firms directly with the
debate on 'Japanisation' (MCKENNA 1988; ACKROYD et
al 1988 op cit).

Other theoretical approaches to employee
participation see it as part of a wider
international debate on employee responses to late
capitalism. The current trend concerned with the
demand for intrinsic rewards in employment, the
problem of alienation and prospects for the
'humanisation' of work have a very long legacy in
studies of industrial attitudes and behaviour
(MARX 1963; MAYO 1945; LIKERT 1961; BLAUNER 1964).
An important new strand in this long debate has
been to link participation with 'universal' issues
of work organisation, the problem of hierarchy
and labour (utilisation) process debates (THOMPSON
1983 op cit). A universal theme in all these
approaches concerns the exercise of control and
authority in the workplace under changing
economic. social and political conditions (BENDIX
1963; PFEFFER 1981).

Though it is recognised that Japanese companies
are recent entrants into the UK and the further
development of participation may be expected (for
example in the development of autonomous work
groups), the literature suggests that Japanese
experiments in the UK have not, as yet, involved
any significant levels of decentralisation of
authority or organisational structure. Nor is
there any evidence to suggest that power sharing
forms an important aspect of the rationale for
employee involvement techniques. Few if any cases
point to an integration of different participative
methods and there are no examples of workers'
representation on boards of directors.

A second area of theoretical interest concerns the
inter-play of expatriate managerial influences on
the attitudes and behaviour of 'host' country
managers. Walker's theory of 'participation
potential and propensity' can be usefully adapted
in analysing management participation, especially
in comparing Japanese subsidiaries with home
country experiences (WALKER 1970 op cit). As
shown in Figure 1, a conceptual framework based on
Walker's theory can be usefully adapted to explain
the dynamic evolution of participation in a
Japanese manufacturing subsidiary in the UK.

These dimensions relate to opportunities and constraints derived from both 'structural' and 'attitudinal and behavioural' perspectives. In the British context, attitudes and responses of shopfloor workers, (variously characterised as instrumental, uncooperative and mistrustful of management), equate to a low propensity for participation. Yet there is some evidence that British shopfloor employees are ready to accept and work with a wider aim for individual involvement if it is nurtured by Japanese stewardship (WHITE AND TREVOR 1983 op cit).

Given that local managers are exposed to the influence of Japanese staff with extensive experience of high involvement management techniques in Japan, it might therefore be anticipated that the *participation potential* would be relatively high in British subsidiaries. What is far less certain is the *participation propensity* of British managers and supervisors to devise participative structures.

Trevor, for example, has pointed to the differences in the 'generalist versus specialist' management roles that are difficult to accommodate in Japanese firms abroad (TREVOR at al 1986). Oliver and Wilkinson suggest that a 'dependency theory' is relevant in the power-participation

interface (OLIVER AND WILKINSON op cit 1988).

Here the juxtaposition of Japanese and British

management attitudes and employee responses is

pertinent (REITSPERGER 1986a op cit). Numerous

studies on British firms have found major

obstacles to the successful operationalisation of

employee involvement at *task levels* and to

generate a positive response from British workers

over time (GUEST and KNIGHT 1979 op cit and

others).

An important and inter-related practical issue

addressed in this review concerns the commitment

of UK middle managers, who view employee

involvement as a potential threat, not only in

terms of authority and prerogative but also of

managerial competency credibility and status

(WHITE and TREVOR 1983 op cit p71). The evidence

is conflicting on the extent to which British and

Japanese managers can work together in formulating

and operationalising high involvement management

systems - a dilemma propounded by Hill:

> "...for the QC technique to work in the West
> requires a conducive organisational climate
> and environment. Clearly, the more closely
> management orientation approximates that of
> the Japanese, the higher the probability of
> success." (HILL 1987 op cit)

At the *strategic theoretical level*, widening the
scope for employee participation does appear to be
an integral part of the long term transfer of
Japanese working practices overseas (YOSHINO
1976). Japanese executives are also fully aware
of the likely practical impediments to such
transfer which relates to the theoretical debates
concerning cultural determinism (TECHNOVA 1980;
TAPLIN and UTSUMI 1989). If Japanese-owned
overseas subsidiaries can adjust their structures
so that they are accepted as viable by local
managers and employees, then this may be important
for the longer term shift from a conflictual to a
more participative, neo-human relations Japanese
model (BRADLEY and HILL 1983 op cit p 294). White
and Trevor's work, in particular, highlighted the
importance of a future research agenda that
requires both a longitudinal approach which can
focus on *both* managerial strategies and employee
responses to the dynamics of participation (WHITE
and TREVOR 1983 op cit).

The significance of employee participation systems
in Japanese subsidiary firms in the UK is only
likely to be seen in the long run as a crucial
element in attempts to develop HRM in a wider
spectrum of British industry. Amongst a variety
of new working practices and relationships,
employee participation and its consequential

impact on employee morale and job satisfaction provides a testing ground for the long-term success of 'new' industrial relations and organisational cultures.   The methods utilised by the present author in contributing systematic research evidence on these unfolding and dynamic changes in the policies and practices of a Japanese manufacturer are discussed in the next chapter.

CHAPTER 3

RESEARCH METHODOLOGY AND DATA COLLECTION

Longitudinal Case Study Research

The inspiration for the research strategy adopted for
the present investigation derived from the author's
determination that episodic change in the formation,
adaptation and institutionalisation of the internal
operations of Japanese manufacturers overseas must be
analysed through a dynamic and longitudinal
methodology (HELLER 1977; PINDER and THURLEY 1983 op
cit; HELLER 1988; BRESNEN 1988).

As was propounded in Chapter 2, the requirement for
detailed longitudinal case studies has become even
more pressing as the debates on the transfer of
Japanese management methods into British industry has
polarised academic (and to some extent the political)
thought on the 'new' industrial relations and issues
associated with 'Japanisation' of British industry in
recent years (THURLEY 1986 op cit; OLIVER and
WILKINSON 1988 op cit). Notwithstanding the
groundbreaking research output of the past decade many
gaps exist in our knowledge of Japanese firms based in
Britain. As Reitsperger opines:

> "Much less well documented ... are cases of
> Japanese direct investment in Britain, and
> available accounts are mainly concerned with

establishing a general overview of Japanese
personnel and industrial relations practice in the
UK. How individual and highly successful Japanese
companies are adapting and changing British
industrial relations at the level of the
individual company, however, is relevant for both
scholarly and practical reasons."   (REITSPERGER
1986a op cit p 73)

It is has been shown in the foregoing review of

literature that previous UK-based studies of Japanese

subsidiaries indicate a cautious 'pragmatic' approach

to modifying their internal operations.   The

literature review also provided confirmation for the

author's proposition that techniques to develop

employee participation are increasingly being

introduced into Japanese subsidiaries.

International comparisons indicate that the transfer

of Japanese-style high-involvement management reflects

a contingency approach which emphasises 'best-fit'

practices in overseas environments (WHITE and TREVOR

1983 op cit; PUCIK et al 1989 and others from USA).

The importance of moving away from static approaches

to Japanese management in favour of examining social

relationships as 'dynamic' was referred to as early as

1981 when Thurley pointed to the evolution found in

'mature' Japanese plants:

> "Visiting a number of older established plants
> revealed constant change and innovation being
> attempted on a step by step basis ...   What is
> emerging ... is a new approach to production
> management in which there is an attempt to
> stimulate employees to work with much greater

> involvement and interest ... this involves new
> relationships between managers, supervisors and
> shop stewards and workers." (THURLEY in THURLEY et
> al 1981 op cit p55.)

Reitsperger comparing industrial relations in Japanese

plants in Britain also sees merit in this dynamic

approach and suggested that an 'evolutionary' path of

continuous improvement in production competencies was

an over-riding goal of Japanese philosophies overseas

(REISPERGER 1982 op cit   pp 296-307).

These evaluations together with the author's own

anecdotal findings on the preparedness of Japanese

enterprises to experiment with new approaches to

employee participation in UK firms referred to

earlier, have inevitable consequences for research

methodology.

Previous case study research discussed in Chapter 2

has provided valuable 'foundation' or 'formative'

empirical data.   For example, the programme of

research headed by Thurley et al in the late Seventies

had begun to orientate towards longitudinal case study

analysis, aimed at the shifting nature of personnel

problems, but were later reported to have been   .

abandoned (THURLEY et al 1980 op cit).   Subsequent

research on the situation of Japanese firms have been

largely derived from cross sectional 'snapshots' or

highly-selective media reportage (LORENCZ 1981).

These methodological inadequacies have in served to stimulate the present investigation, which aimed to more fully understand the dynamic evolution of Japanese multinationals in the UK (PINDER and THURLEY 1983 op cit). The importance of longitudinal investigations that combined a dynamic approach was also echoed in 1987 by Abo, whose case study observations in Japanese TV plants operating in several countries, led to a firm advocacy for this approach:

> "We can hardly come to grips with the dynamics of a multinational firm, and in particular Japanese firms, unless we base ourselves on case studies of individual overseas subsidiaries." (ABO 1987 p 21)

As was highlighted in the review, there have been several outstanding 'cross sectional' case study research findings in Japanese manufacturers - most notably TAKAMIYA 1981 op cit: WHITE and TREVOR 1983 op cit; TREVOR 1988 op cit; REITSPERGER 1982 op cit. In particular the later work of Trevor attempt an ambitious longitudinal portrayal of the evolution of Toshiba's factory (TREVOR 1988 op cit). Several studies have taken comparisons of British, Japanese with other foreign owned firms as their point of departure (TAKAMIYA 1981 op cit; SAWYERS 1986 op cit; REITSPERGER 1982 op cit). Thereby, however, the problem of attaining satisfactory 'matching samples' is an inherent problem (YIN 1984).

The starting point for the present Thesis lay in the fact that none of the previous case studies in the UK has adopted a deliberate and systematic longitudinal approach that examined changes *specifically* in the area of employee involvement programmes in Japanese manufacturers. As Pinder and Thurley point out:

> "The greatest light may be thrown on (direct Japanese investment overseas) by longitudinal studies rather than the cross sectional approach ... longitudinal studies would reveal how far organisational learning is taking place and what the processes of learning cycles really imply." (PINDER and THURLEY 1983 op cit pp xii.)

By its nature, the requirements of a longitudinal study set particular opportunities and constraints for organisational researchers. The wide variety of methods that can describe 'longitudinal' are extensively covered in the literature on sociological methodology (SSRC 1970; WALL and WILLIAMS 1970). Here several aspects relevant to this present study are discussed.

One aspect concerns the time-frame for longitudinal research. Attempts to map out the theories of 'long sweeps' of longitudinal changes in social, economic and political interest in participation for example, contrasts with 'micro' level case study analyses of change in organisation that might include a minimum of two 'snapshots'. Ramsay's work on historical 'waves of participation' in Britain and Cole's comparative

studies of the historical diffusion of small group activities in Japan and the USA are examples of this type (RAMSAY 1977 op cit; COLE 1979 op cit).

A further related question centres on what constitutes a meaningful longitudinal study in terms of the length of time devoted to field work and data gathering. Jaques seminal work in the Glazier Metal Company in the early 1950s paved the way for longitudinal case studies over several years, and was the first to link longitudinal research with communications and experimental consultation (JAQUES 1951). At the micro-level, a 'grounded' research approach can be effective in monitoring the short run changes which may be missed in larger, more general treatments of industrial behaviour and where attention to small but significant points of detail is required (BEYNON 1973).

Not least in the range of challenges for longitudinal investigators, is the enduring fieldwork presence required and the maintenance of friendly relationships under changing factory conditions. As the present author found, the longer the exposure to organisational politics the greater care required to steer an objective course.

Longitudinal studies also require a painstaking period of time to collect and write up data which places an

additional pressure on the timing of publication of
findings. There are, however, advantages therein,
since the patience required for long-term research, as
demonstrated in the present Thesis, provides
opportunities to refine and reformulate ideas and
research instruments to take account of organisational
change (HELLER et al 1977 op cit).

Discussion on the controversies surrounding case study
research methodologies are also well documented in the
literature (FESTINGER AND KATZ 1966 and others).
Single case studies present particular problems of
validation and comparison with other cases and/or
published research output. One argument is that
multiple cases are preferable to single examples, of
the type examined in the Thesis.

The arguments for and against case studies in
organisational research studies have received
perennial treatment (MITCHELL 1983: and DUNKERLEY 1988
p 91). Whilst single cases are disadvantaged by the
validation problem they do, however, have the
potential to provide a fertile arena, especially for
highly detailed analysis of processes over time.
Dunkerley also points to the benefits of the factory
case study which comes into its own at the level of
"straightforward discovery". Descriptions of social
processes and changing institutional structures can in
turn lead to the formulation or reformulation of

hypotheses (DUNKERLEY 1988 pp 91). The point can also be made that that case studies can serve to make theoretical connections apparent where they were formerly obscure (BRESDEN et al 1988 op cit).

Selecting the longitudinal research methodology for the present case study took account of the need for a descriptive 'exploratory' approach that could provide evidence to compare with previous findings and hypotheses. But valid comparisions also need to be undertaken with care. White and Trevor's multiple case study approach was unable to synchronise all research instruments and had in one case, to rely on management respondents only, and then soley on postal questionnaires in another (WHITE and TREVOR 1983 op cit p17).

Some of these problems were also addressed in Hill's study of Quality Circle failures (HILL 1986 op cit). Using a postal questionnaire in 27 companies on two successive occasions over a four year period, Hill's study found that not all the original respondents could be contact at the later date. Those that could be contacted were subject to the "vagaries of memory".

In another example, Lewis's study of Japanese owned firms in the UK examined consultation arrangements, yet did not interview Japanese staff "who were in control", attend any consultation meetings or follow

up the outcomes of the issues examined (LEWIS 1989 op cit). It is argued here that another way forward for single case studies such as the one presented, is where they contribute incrementally to the previous paradigm, for example, by gaining access to a larger range of respondents within one organisational setting than previous studies have been able to achieve.

Single case studies inevitably therefore, have implications for the typicality of the findings, though some interesting comparisons from selective previous research output on Japanese manufacturers provided a starting and an analytical reference point (YIN 1984 op cit). The design for the present case study tried to address the problems of case study research. Research access and timing of interviews in the UK and in Japan, together with the large number and level of informants provided a particular challenge. The extensive commitment of the researcher's time for detailed multi-layered and cumulative longitudinal fieldwork approach, discussed later in this chapter, may also go some way to jusitifying the single case study.

A more ambitious project involving a research team might well have adopted a somewhat different methodology, perhaps with multiple cases drawn from the same regional area. In any case the difficulties of obtaining research access at a broadly similar

point in time to enable the phases of organisational evolution to be examined would have been difficult to surmount. During the planning stage for the present study the author approached two other Japanese manufacturing firms who refused to allow such access.

Bradley and Hill's study of Quality Circles not only pointed to the severe problems of gaining access to companies but also advocated a longitudinal approach viz:

> "To establish whether quality circle membership is significant requires a longitudinal analysis in which employee perceptions are measured prior to quality circle programmes, and few companies appear likely to grant such access." (BRADLEY and HILL 1983 op cit pp 300-301)

Opportunism sometimes plays a fortuitous part in social research (BUCHANAN et al 1988 p 53). Amongst a number of familiarisation visits to Japanese manufacturers in 1985, the author discovered that Japanese Managing Director of Brother Industries (UK) was prepared to open a dialgue with the author on possible research access. Preliminary and wide ranging discussions on general issues facing Japanese manufacturers both in Britain and in Japan eventually led to a research proposal directed towards the specific area of 'employee communications and participation'.

It is worth noting that the personal support of the
Managing Director as an 'organisational gatekeeper'
was a major contributory factor in the extensive
access to staff made available to the author. The
eventual approval for the project also established
direct contact with the Company's senior managers in
Japan as 'corporate gatekeepers', which was also
important in gaining the high level of sustained
cooperation throughout the five-year period of the
study.

Toward the end of the fieldwork there was a change in
top Japanese management. This necessitated fresh
discussions with a successor on the aims of the
project amid rising suspicions from British senior
managers that the research was providing a 'check' on
their own performance.

There were also indications that frustration was
beginning to set in amongst some middle managers and
employee representatives who believed that feedback on
what the project had 'discovered' had not been
disseminated. Other workers who formed part of the
regular 'panel' of interviewees occasionally
complained that the research had not conspicuously
'improved things' within the Company.

Fortunately the problems encountered did not endanger
the continuation of the project but necessitated a

reaffirmation of its value as an academic exercise which would contributed to our understanding of how Japanese firms were evolving and adapting their internal operations. These pressures on the 'ownership' of the research findings appeared not to have affected the willingness of informants to cooperate during the final stages of the fieldwork and this was clearly due to the friendly relationships built up over several years with the staff.

The particular problems of gaining access into local plants of Japanese multinationals compound, it seems, the 'normal' difficulties facing researchers who wish to conduct detailed work of a longitudinal nature (BUCHANAN et al 1988 p cit; LAWRENCE 1988)

This discussion also illustrates that direct investment on greenfield sites in the UK by Japanese firms has been a particularly sensitive area for academic researchers interested in 'insider accounts' of workplace processes and employee attitudes (KAMATA 1982). During the present study the Japanese senior managers expressed a strong view that they would prefer it to be restricted to one Japanese manufacturer, on the grounds that the high level of cooperation offered gave the author access to a wide range of operational matters. In the author's experience many Japanese firms would prefer to remain 'anonymous' though the political and industrial

importance of large multinational investment from

Japan inevitable attracts interest.   Indeed, Beynon

cites the case of the complete research embargo

imposed by Nissan UK (BEYNON 1988).

Fieldwork and Data Collection

The reader will observe from Table 2, that the

fieldwork conducted between 1985 and 1990 was

comprehensive, and combined the following quantitative

and qualitative instruments:

- lengthy semi-structured interviews with Japanese
and British staff

- group interviewing and feedback meetings with
management and shop-floor respondents

- interviews with ex-Company managers

- interviews with local unions officials

- questionnaire survey using an 'enhanced' method

- some observation techniques and attendance at
consultation meetings

- an examination of internal Company documents.

The longitudinal methodology employed enabled the

investigator to 'enhance' the fieldwork instruments at

later phases of the project, as shown in Figure 2.

The reader is also asked to note two special features

of the fieldwork instruments.

TABLE 2: Research Methods and Fieldwork Chronology 1985 – 1990

1985	PHASE 1 1986	PHASE 2 1987	PHASE 3 1988	PHASE 4 1989	PHASE 5 1990
MARCH BIUK legally registered in UK. JULY Temporary factory opened. Trial production runs start. NOVEMBER Factory construction completed. First production runs start. DECEMBER Access and familiarisation visits to Japanese manufacturing subsidiaries begin.	JANUARY Introductory discussion in BIUK with Japanese senior staff. Familiarisation tour of plant. MARCH Offical opening of factory. Author visits BI headquarters in Japan and conducts interviews with corporate planning staff and tours facilities. JULY Discussion with BIUK Managing Director lead to agreement for a longitudinal project starting with a pilot survey of staff attitudes.	MARCH Pilot survey commences. – familiarisation interviews with UK and Japanese managers. – semi-structured interviews conducted with UK managers; Japanese managers; supervisors and Consultative Council representatives. MAY Questionnaire survey of non-managerial staff. JULY Feedback sessions on pilot survey results. Author attended meetings of the newly formed Consultative Council 1987-1990.	FEBRUARY Interim round of interviews designed to update position following major organisational changes. – semi-structured interviews conducted with Japanese managers; UK managers; supervisors and Consultative Council representatives. APRIL Interviews conducted with EETPU regional official; Development Agencies and BI European Head-Quarter senior staff. JULY Second visit to BI HQ in Japan.	JANUARY Enhanced round of interviews with 'core' previous respondents from 1987 and 1988. Group leaders now included in survey Questionnaire extended to include new developments e.g. small group activities and union recognition. FEBRUARY Questionnaire survey of all non-managerial staff. MAY Feedback sessions on survey results now extended to Consultative Council representatives and shop stewards.	JULY – AUGUST Further interviews with Japanese managers re-assigned to Japan; interviews with ex-managers in new posts; further interview with EETPU official. OCTOBER Third visit to BI HQ in Japan. NOVEMBER-DECEMBER Comprehensive and final round of interviews with Japanese managers, UK managers; supervisors; Group Leaders and employee representatives. Third attitude questionnaire administered amongst all non-managerial staff.

FIGURE 2:   Schema for 'Enhanced' Phased Research Methodology 1985-1990
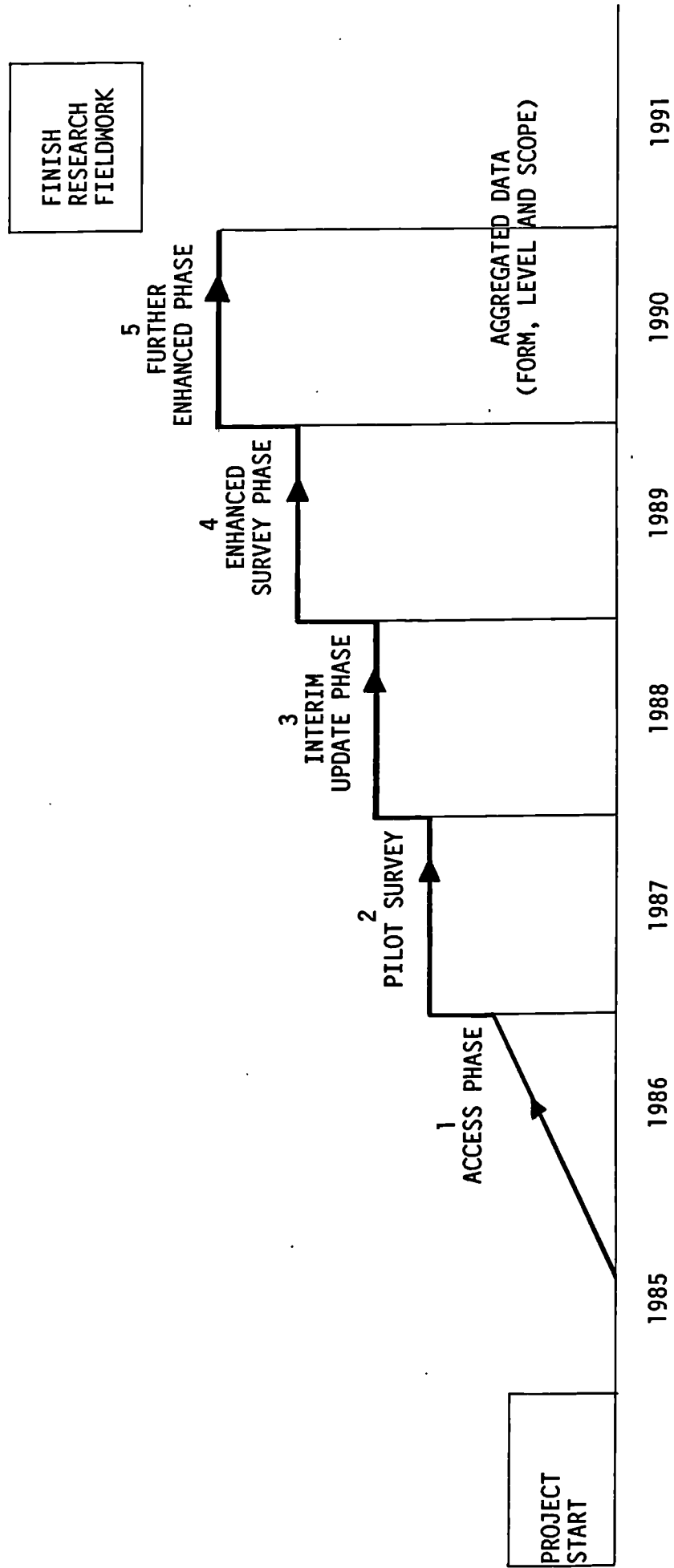
Firstly, the questionnaires and interview schedules were modified or 'enhanced' during phases 3, 4 and 5, to take account of changes in the Company's internal operations and the rising level of cooperation afforded to the author (See 'Statistical Notes' in Appendix A).

Secondly, the planned longitudinal methodology required regular contact with a 'core group' of respondents as shown in Table 3. This is a similar approach to that used in earlier 'panel studies' where attitudes are surveyed at different times, a method that is perhaps more reliable than random repeat sampling techniques (ACKROYD AND HUGHES 1981 pp 53-54). Where respondents had left the employ of BIUK they were contacted in 1990 and interviewed in their new posts.

The main phases of the research fieldwork are discussed below and should be read in conjunction with Tables 3-6, which contain detailed outlines of interview samples, questionnaire distribution and returns together with information on the background dimensions of the data base.

Phase 1: Access and Familiarisation

BIUK began trial production runs in their newly constructed factory in November 1985. The first

TABLE 3: Dimensions of In-Plant Interviews Conducted 1986–1990*

	1986	1987	1988***	1989	1990	TOTALS
JAPANESE MANAGERS AND ADVISERS	Access and familiarisation meetings were conducted	5	6	6	14	31
UK MANAGERS		4	7	15	16**	42
UK SUPERVISORS AND ASSISTANT SUPERVISORS	–	13	6	11	9	39
GROUP LEADERS	–	–	–	7	8	15
EMPLOYEE REPRESENTATIVES	–	10	3	10	8	31
TOTALS	–	32	22	49	55	158

* Whenever feasible interviews were conducted with the same (core) respondents in each year
** These interviews include 6 ex-managers contacted in new employment positions
*** 1988 was an interim phase of the research and did not include an employee questionnaire

steps, in what was to develop into fieldwork spread over almost five years, were taken in January 1986 when the author visited BIUK and interviewed the Japanese Managing Director who had been assigned to set up the Company's British manufacturing operation in 1984 (See again Table 2 Research Methods and Fieldwork Chronology 1985-1990). This first visit to the Company was one of several visits to Japanese manufacturers and included a tour of the production area.

The initial contact led to a meeting with Brother Industries executives in the Company's Headquarters in Japan in April 1986. Contact with HQ staff in Japan was an important ingredient in the planning of the research in its embyonic stage. There was also a need to understand an outline of the Company's Japanese operations whilst their internationalisation strategies were thought to be an important prerequisite for understanding the attitudes and behaviour of Japanese staff in the UK.

In July 1986 a series of follow-up interviews were conducted with BIUK's Managing Director and the British production manager. These preliminary interviews also yielded information on the management philosophy, organisation structures, company size, labour force characteristics and other contextual information. They also facilitated an exchange of

views on the principle aims and general administration for the projected research.

Following consultations between BIUK and the Japanese Headquarters, agreement on access was secured in November 1986. All managers and supervisors were informed of the study, together with employee representatives on the newly established Joint Consultation Committee. The fieldwork proper was scheduled to begin early in 1987.

A range of research intruments was devised, using semi-structured interviews with managers drawn from both UK and Japanese staff, supervisory staff and employee representatives. The interview schedules, details of which are given in Appendix B, became the starting point for subsequent interviews with key informants during the following four phases of the fieldwork. The information collected from interviews were recorded in the form of field notes which were later coded, deciphered, re-written and supplemented by observations which were tape recorded.

Phase 2: Pilot Survey

Between March and May 1987 'core informants' were selected from the complement of staff at all levels (See Table 3 - Dimensions of In-Plant Interviews 1986-1990). Each respondent was interviewed for between

90 and 120 minutes. Since this group would provide a 'core network' of respondents at several organisational levels, to be contacted repeatedly in a rolling programme of interviews over a projected two or three years it was particularly desirable to develop a close 'personal' relationship.

Potentially sensitive points of detail were also observed such as the choice of room for interviewing. Cooperation with and interest in the project was high. This was partly attributed to the positive effects of being 'studied by a university', and partly by the newness of the firm and its Japanese origins. The author's experiences of living and researching in Japan helped both in the rapport with Japanese staff and helped with relations British staff who frequently inquired about the 'mysteries' of their Japanese bosses' behaviour.

In some cases interviews with Japanese managers made use of trained interpreters. It is noteworthy however, that such interviews with Japanese staff depended on the level of English (and the authors Japanese) and had their own difficulties in tracking meaning and nuance. Some of the ideas explored were often linked to lengthy explanations of 'unique' cultural differences 'discovered' in Britain. The accounts from the relatively large sample of Japanese informants interviewed recurrently over four years,

provided particularly valuable insights into changes
in perception and attitude, a topic discussed again in
Chapter 6.

In addition to 'formal' interviews, several managers
were interviewed informally on several occasions
during this first phase. Since the author also had a
regular presence in the plant, informal 'chats' were
also conducted in the staff canteen and in various
parts of the factory. Table 3 shows that a total of
32 informants were interviewed for this first
fieldwork phase.

As outlined in Appendix B, the Japanese and British
interviews differed slightly in content, though the
'core' questions were designed to cover the main
aspects of employee participation, together with
biographical details and general attitudes on work
life in Japan and the UK.

Employee attitudes towards communications and
consultation were gathered from a 'pilot' self
administered questionnaire distributed to all
shopfloor workers, white-collar staff and supervisors.
This questionnaire was to be supplemented in two later
phases as the project unfolded to take account of
changes in the systems of participation and other
changes in industrial relations (See Appendix A).

Questionnaires were administered through the project's 'liason' manager via supervisors who were briefed on the distribution and collection procedure.

Supervisors were asked to give details of theproject through their regular daily team briefings. Questionnaires were handed out by supervisors who collected them in sealed envelopes provided for each repondent. Employees took the questionnaire home to complete. This procedure was used at each of the two further questionnaire phases of the project in 1989 and 1990. As shown in Table 4, this procedure yielded a relatively high response rate of 72%.

In addition data was gathered at meetings of the Joint Consultative Committee around the time of the fieldwork — a procedure that was replicated at each subsequent phase of the project.

Phase 3: Interim Update 1988

As shown in Figure 3, by 1988 BIUK had significantly expanded its workforce from the 1987 levels. It had also diversified its product range on a new site some five miles from the main plant — named here as 'Factory 2'. In order to maintain an updated picture of how the situation was changing a programme of updating the 1987 interview responses was initiated. Where possible the same 'core' respondents from 1987 were contacted and interviewed for between one and two

TABLE 4: Dimensions of Questionnaire Distribution and Valid Returns - 1987, 1989 and 1990

	1987	1989	1990
NUMBER OF EMPLOYEES ELIGIBLE	285	724	540
NUMBER OF VALID RETURNS	204	476	313
RATE OF RESPONSE	72%	66%	58%

FIGURE 3: Chronology of Fieldwork in Relation to Changes in Company Size

| 1985
Production Starts
in
Temporary Factory | 1986
Phase 1 Access
Production Starts
in
Permanent Factory | 1987
Phase 2 Fieldwork
Commences | 1988
Phase 3 | 1989
Phase 4 | 1990
Phase 5 | 1991
Fieldwork
Completed |
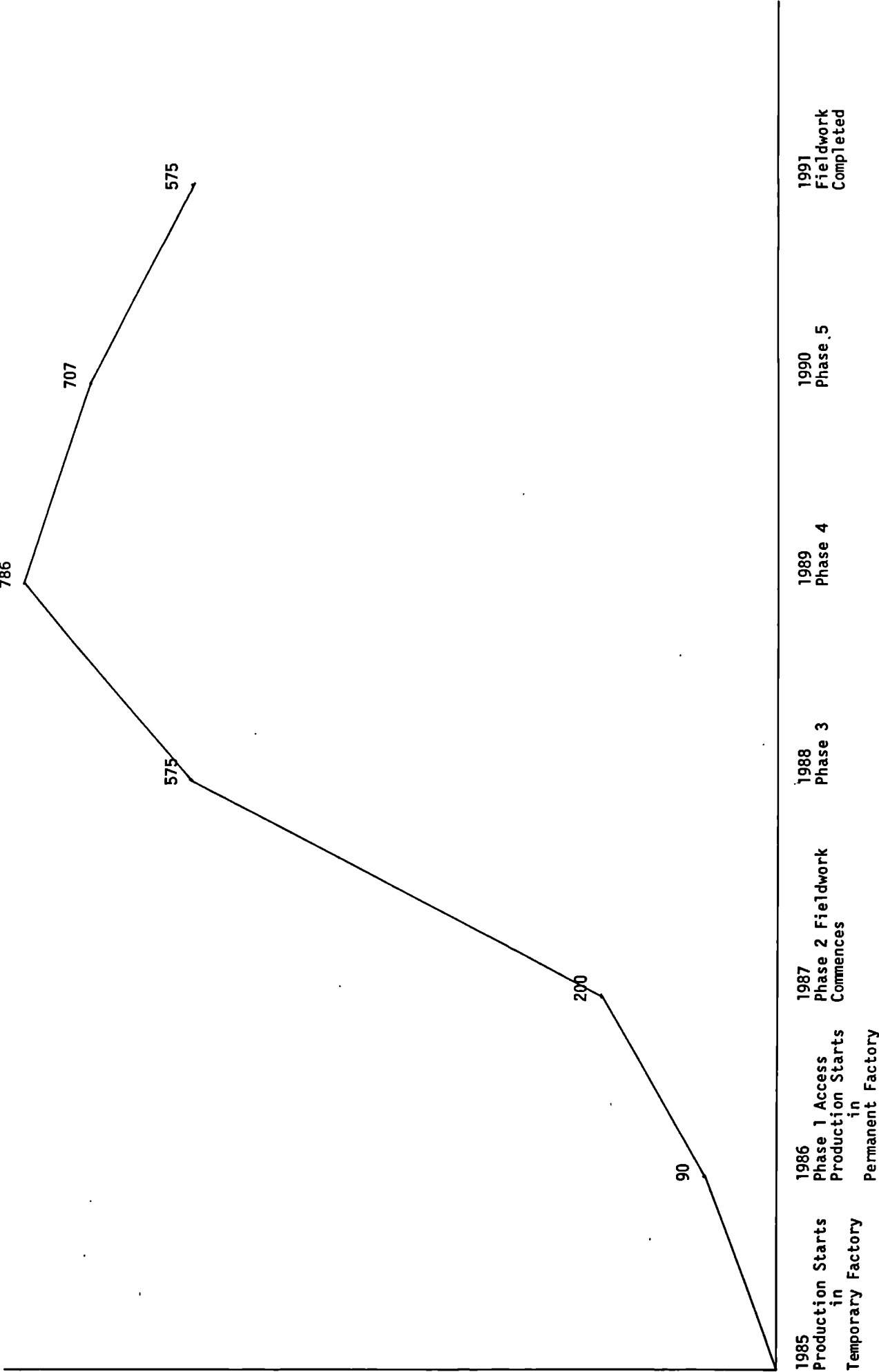
hours.   In total, 22 staff were interviewed, though a
number of managers were interviewed informally on more
than one occasion (See Table 3).

Feedback interviews were also conducted with a group
of senior managers and meetings of the Company Council
were attended.   Additional interviews were conducted
with Japanese directors and managers of the Company's
European Sales and Distribution Centre, officers of
the Development Agency, and the first of a series of
lengthy interviews with the regional official of the
EETPU - all of which were designed to provide a wider
'outside view' of BIUK's ongoing developments.

Phase 4: The 1989 Survey

In March 1989 a further third phase of fieldwork
interviews with staff at all levels was commenced.
As with previous phases of the research, the author
attended meetings of the Company Council and feedback
meetings with British and Japanese managers were also
arranged.   Notably, in this phase, permission was
given to hold separate feedback meetings with employee
representatives alone.

Following approval from the Company, a second attitude
questionnaire explored a wider range of dimensions
than the original 1986 'pilot' questionnaire.   Staff
totalling 724 were requested to complete a

questionnaire in April 1989. In the event some 476
staff representing 66% of the total employees eligible
(See Table 4).

Table 5 provides a break-down of job categories.
About two-thirds of questionnaire respondents were
shopfloor operators (N = 241), whilst 11% were
categorised as supervisors or assistant supervisors.
The remainder were in the clerical, secretarial and
administrative grades.

By the 1989 phase, the 'standing' of the project
enabled the author to gain access to 'confidential'
material, such as Company records, internal reports
and minutes of meetings. Archives from local
newspapers were also researched.

Phase 5: 1990 Final Survey

By late 1989 Brother had undergone a major management
reorganisation and was running down staff levels in
the face of a serious shortfall in orders for its
microwave oven and printer range of products (See
Figure 3). As revealed in chapters 7 and 8,
communications were still being reported by
respondents at all levels as, "a big problem" whilst
the consultation committeee was regularly facing
problems with its 'real' role within the enterprise.
Union membership was struggling to reach 40%. A third

TABLE 5:   Distribution of Questionnaire Responses by Job Category, 1987, 1989 and 1990

JOB	1987 *	1989	1990	CLASSIFICATION
OPERATOR		241 (50%)	123 (39%)	⎞
FLOATER		37 (8%)	24 (8%)	⎟
LEADER		38 (8%)	33 (11%)	⎬ 'SHOPFLOOR WORKERS'
TECHNICIAN		14 (3%)	13 (4%)	⎠
ASSISTANT SUPERVISOR		29 (6%)	27 (9%)	⎞ 'SUPERVISORS'
SUPERVISOR		23 (5%)	20 (6%)	⎠
CLERK, SECRETARY AND GENERAL ADMINSTRATION		39 (8%)	42 (13%)	'WHITECOLLAR STAFF'
WAREHOUSE, QUALITY CONTROL AND MISCELLANEOUS		51 (11%)	26 (8%)	'OTHERS'
NON-RESPONDENTS		4 (1%)	5 (2%)	-
TOTALS	204 (100%)	476 (100%)	313 (100%)	

*   The 1987 pilot survey did not include a question requesting job categories. All respondents were
    non-managerial employees, manual and non-manual. (See Statistical Notes)

attempt to generate a viable small group activity programme was in train. It was at this point that the a third survey, reviewing developments of the preceding years, was undertaken.

Table 3 shows that a cross-section of 55 staff were interviewed. Each respondent was interviewed for an average of between 60 and 90 minutes. In the cases where managers had resigned to take new appointments they were traced and interviewed in their new positions. These interviews each lasted between 120 and 180 minutes. The EETPU Regional official was also interviewed at length, for the third occasion since 1987. Further meetings of the Company Council were attended again and feedback sessions arranged with managers and employee representatives.

Tables 4 and 5 give the responses to the third attitude questionnaire. 313 questionnaires were completed - a response of 58% a slight fall from the 1989 and 1987 phases. In keeping with the 'enhanced cumulative' approach this latest questionnaire contained the most comprehensive range of questions mounted (See Appendix A).

In summary the fieldwork accumulated a comprehensive range of data utilising both qualitative and quantitative material. Table 6 reveals a population dominated by young, single, female, mainly full-time

TABLE 6: Background Dimensions of Data Base, 1987, 1989 and 1990 (Percentage Scores)

	1987*	1989	1990
AGE: Shopfloor Respondents 23 or under	87	80	73
FULL-TIME EMPLOYEES	93	88	95
LENGTH OF SERVICE:	Number of staff employed at 31.12.90 who joined BIUK in year: 1985 - 55; 1986 - 45; 1987 - 134; 1988 - 159; 1989 - 107; 1990 - 41		
SHOPFLOOR WORKERS WITH NO PREVIOUS FULL TIME JOB	63	48	31
'SINGLE' RESPONDENTS	na	na	80
EDUCATIONAL QUALIFICATIONS: Shopfloor respondents with CSE, GCSE or GCE 'O' Level	na	67	69
UNION MEMBERSHIP Shopfloor Respondents	45	56	66
All Respondents	40	46	52

* Data Supplied from Personnel Department Records

staff.   Of those starting with the company in its
first year, only 55 staff remained at the end of 1990.
The number of staff with no previous full-time
employment history was unexpectedly low given the
average age of respondents and the policy of school
recuitment.   Two-thirds of respondents have a minimum
of CSE qualifications and a majority had GCE or GCSE
(See Table 6).

The average age of BUIK employees was 19 years at
commencement and only 23 years after five years of
operation.   In other studies, younger workers are
seen as having a lower propensity to participate
because they lack confidence and experience especially
at 'higher levels' in the organisation (HESPE AND
LITTLE 1971 pp 322-46).   Trevor has also referred to
the lack of experience of younger workers in Japanese
manufacturers in Britain and their reluctance to
become workplace representatives (TREVOR 1983a op
cit).

In contrast Wall and Lischeron offer an alternative
view that younger people will demand more involvement
(WALL and LISCHERON 1977 op cit p 57).   What is not
fully understood is exactly how changes in the
'environment' - in education and social attitudes are
affecting 'long run' attitudes and behaviour in the
workplace especially in terms of rising expectations
(DANIEL AND McINTOSH 1972 op cit).   Given the high

incidence of women in manual employment the present case study can help to fill the gap in what can perhaps be described as a 'factory youth sub-culture', within a newly established Japanese firm where female workers predominate (SASO 1990).

CHAPTER 4

*

OVERVIEW OF BUSINESS HISTORY AND INTERNATIONALISATION

The Formative Years

Brother Industries (BI) of Japan was founded in 1934
by two of the Yasui Brothers, Masayoshi and Jitsuichi.
The first 25 years of BI saw a concentration of its
main business around the manufacture of domestic and
industrial sewing machines for the home market (CHANG
AND MAKINO 1985). However, by the early 1960s the
Company was projecting itself away from purely
domestic manufacture into a diversified multinational
company, with a growing range of consumer electric and
electronic products.

By the late 1970s BI had established factories in
Taiwan and South Korea. Driven by falling domestic
demand, the rapid appreciation of the Yen and EEC
anti-dumping duties, the Company revised its strategic
goals towards a 'near market' policy of selective

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* Parts of the material contained in chapters 4
and 6 were gathered in Japan, when the author was a
Visiting Researcher at Hokkaigakuen University and
Nanzan University in 1986 and later, as Research
Fellow at the School of Business Adminstration, Kobe
University in 1988.

localised production overseas.

By the early Eighties Brother Industries was the
second largest maker of typewriters in the world,
producing one in eight of all machines sold.   BI
opened its typewriter manufacturing plant in the UK in
1985, followed in 1987 by a factory (also making
typewriters) in the USA.   By 1989 Brother Industries
had extended its overseas distribution and sales
facilities operations in 18 countries worldwide
(BROTHER 1989).

The early history of BI has several features common
to the 'rags to riches' business histories of
Japanese entrepreneurs whose desire to succeed,
reflected personal tenacity, underpinned by a strong
patriotic desire to 'catch up' and eventually overtake
dominant Western competitors.   The subsequent business
expansion of Brother Industries, stemmed in large
measure from the drive of a small group of committed
family members and a cadre of senior managers whose
'paternalism' is still part of the BI's organisational
culture (CHANG AND MAKINO 1985 op cit).

Kanekichi Yasui, the father of the founding
'Brothers', worked at the Nagoya artillary arsenal on
the pay-roll of the Japanese Imperial Army. Extra
income to support a family of 10 children was derived
from repairing imported, mainly Singer, sewing

machines and the technical and mechanical skills were
handed down to sons Masayoshi and Jitsuichi Yasui.
In 1908 Kanekichi left the employ of the Nagoya
Arsenal to start up the Yasui Sewing Machine Company,
which first operated in a tiny workshop in their small
home in the suburbs of Nagoya.

The elder son of the founder Masayoshi, was the
principal architect behind the growth of the Yasui
Sewing Machine Company during the 1920's and 1930's.
- a time at which Singer dominated the Japanese sewing
machine market with 6,000 Japanese salesmen on their
payroll. Spurred by a patriotic desire to produce
Japanese-made products to replace imported machines
from both America and Germany, Masayoshi skillfully
used the inferior quality of imported machines to
develop a quality consciousness amongst the workforce.

Post-war Developments

Following the destruction of two of its factories,
Brother had re-established production by 1950, and the
monthly output was raised to 4,000 industrial sewing
machines - gradually building up export markets in
S.E.Asia.

Brother's post-war strategic policy focussed on
further refining mass production techniques, improving
quality and bringing a low-cost product to the market

quickly. The establishment of trading and distribution facilities in overseas markets also become a priority.

Appreciating the scale of manufacturing operations, seen at first hand during a visit to the USA, the capacity of the main Nagoya factory was doubled and the Company embarked on a long programme of product diversification. By 1961 Brother was a volume manufacture of manual typewriters, mainly for the cheap end of the American market.

The Company's core business of sewing and knitting machines peaked in the mid-Sixties and new electric and electronic products were developed to capture market share and extend export sales. The Eighties saw a further diversification as a five year plan was inaugurated to change the product mix from an over-reliance on sewing machines down to 25% of sales and further expansion of typewriters, micro-wave ovens, printers, personal computers, fax machines, word processors and photocopiers.

In typewriters, Brother had undergone a significant 'technological conversion'. BI's proven engineering, mainly in sewing machines technology, was adapted to new product development in manual typewriter technology. Later micro-chip innovations provided a breakthrough in text processing, which BI and other

Japanese manufacturers quickly utilised, to reduce
with dramatic effect, the 2,000 or so moving parts in
the conventional electric typewriter. The new
electronic products also had a major spin-off in
process innovation that was to have important
consequences for manufacturing opportunities overseas
(PIORE and SABEL 1985 op cit).

The relatively simple construction of electronic
machines required a much lower engineering capability
and less skilled labour, though maintaining precision
quality requirements in production (often from low
cost sourcing for electronic components), made it a
clear target for direct overseas manufacturing
investment.

This has led to a steady reduction in employment
levels in the Japanese workforce. In Japan, several
thousand workers were affected in its many sub-
contractors. Extensive redeployment to other Brother
facilities and 'dispatching' (loan) workers to other
firms has occurred. Some lines have seen a reduction
in manning levels from 24 to two operators.

The Brother Enterprise Union and Consultation
Committees, though not directly involved in planning
for technological change apparently received, "all
necessary information to enable the Union to play an
active role in redeployment measures."   Non-renewal

of part-time female contracts was felt to be an "automatic solution" to the problems of over-manning. Since 1980 BI has doubled its engineering recruits to over 120 per annum by the late 1980's in an effort to boost research and development efforts further (FINANCIAL TIMES 1987).

In summary, Brother has adjusted its home operations to take account of product and process innovation especially in terms of manning levels and in the nature of the Company's recruitment policy. It has, albeit significantly later than other larger Japanese electronics firms, entered in a phase of internationalising its business operations in S.E. Asia, South America, Europe and latterly in the USA. BI, with its culture strongly influenced by family control and reinforced by the 'conservatism' of the Aichi Region has gained a reputation as something of a reluctant multinational. The establishment of an Irish factory in 1958, in what is probably one of the first Japanese manufacturing unit to be started in Europe, shows that BI can muster an aggressive international position under pressure for survival.

Brother Industries in Europe

Brother set up a sales and distribution centre in the UK in 1959 from which it spear-headed a growing presence in Europe mainly in building-up dealerships.

A further step in the Company's Europeanisation came in 1968 when Brother acquired a controlling stake in the only British manufacturer of sewing machines, Jones Sewing Machine Company, in Manchester, which had been first established in 1889. Jones Sewing Machines had been making heavy losses was secured both for its brand name and for its extensive distribution network.

The Japanese assessment was that manufacturing was not viable with the outdated technology in use, and production was quickly phased out. Manufacturing was replaced with a European sales and distribution operation for Brother imports. The name of Jones was maintained and linked with Brother to provide a continuing brand association for European customers.

On March 4th 1985 the President of Brother Industries of Japan announced the Company's decision to set up a factory in the UK, which the Financial Times marked as the return of typewriter manufacturing to Britain after more than 10 years (FINANCIAL TIMES 1985). A Project Team of three Japanese managers undertook a feasibility study of possible sites and spent 18 months 'on the ground' in Europe before recommending a 'green-field' site in North Wales.

The issue of manpower requirements featured prominently throughout the discussions on possible locations. Though West Germany and the Netherlands

were possible locations the labour costs in those
countries were significantly higher than in the North
Wales region eventually selected.   North Wales also
had an abundant reservoir of young female school
leavers required by the Firm.

Detailed figures on the labour market and wages were
studied and a specific request for 80% female
recuitment under 18 years was made to the British
General Manager responsible for hiring and personnel
matters.   The Japanese Managing Director was confident
that young people would welcome the opportunity to get
relatively low-paid jobs in an unemployment blackspot
which would provide a 'core' workforce with
aspirations to take a longer view of prospects.
Chapter 5 contains a details of the subsequent
development of the personnel and industrial relations
policy.

In July 1985 the first electronic tyepwriter rolled
off the 'trial' assembly line assembled almost
entirely from parts shipped in from Japan.   Set up
with only a minor input from UK engineers, the first
pilot runs ironed out technical and quality problems
and workflow in temporary premises provided by the
Welsh Development Agency.   Only Japanese MNC's in the
Region were reported by the Development Agency to
maintain a high density of their own managers in key

functional positions, athough exact numbers varied among Japanese firms in the area.

By November 1985 the new £4 million, 65,000 sq ft factory was completed on a 50 acre site employing 150 people and producing some 240,000 typewriter units per year. Ninety school leavers were immediately recruited after 'passing' an aptitude and dexterity test. By their own account most youngsters were eager to join a new firm with an 'exciting' image in that rural unemployment blackspot.

The anticipated growth for BIUK production of tyepwriters at that time was only modest, though the early signs were encouraging and management reported (quite misleadingly), that the British plant could come close to the productivity levels in Japan. By 1987 demand for BIUK typewriters in Europe was estimated to be 50% higher than was planned and production at 30,000 machines per month intensified pressure on line speeds and compulsory overtime being introduced to meet orders.

In May 1987 BIUK acquired additional premises in a second separate factory of 97,000 sq ft. The second factory soon took on new workers and once again a team of specialist engineers arrived from Japan to put the new production lines down and organise training for the new product. The jobs lost in the area when the

previous factory had closed were soon replaced and superceded by the BI expansion. Production in Factory 2 commenced in July 1987.

The Company had also experimented with the introduction of a small dot matrix printer production line for the European market — reflecting the need to have flexible design responses for small batch production to match the specific needs of customers in the EC. Design and quality problems combined to prevent this developing a volume sales in Britain or the EC, though a new model is planned for 1991. For months prior to the announcement, rumours and secrecy surrounded the Factory 2 expansion and gave an early warning that communications between the UK and Japanese managers were intermittent and becoming a source of friction.

Employee representatives on the newly formed Joint Consultative Committee were being 'button holed' on the shop floor for not providing confirmation of management intentions. The expansion issue also became a cause of direct concern for many BIUK workers whose section managers had emphasised, at Japanese prodding, that the firms intended to operate with an 'open-door' communications policy.

By April 1989 the Company had produced its one-millionth typewriter and the total workforce had risen

to almost 800 people. This growth pattern was rapid and unexpected. Major modifications in the organisational structure had been required to reflect changes in operations since 1987, as shown in Figure 4. Directors and additional staff from Japan were introduced to head the new product Divisions.

The dramatic and continuing growth in BIUK's early development became difficult to sustain by early in 1990. The deepening recession and dwindling consumer confidence in the safety of micro-wave ovens conspired to produce a major downturn in demand for BIUK's domestic products. Additionally, there was overcapacity in the industry brought about by intensifying competition (mainly from other Japanese manufacturers Sharp, Hitachi, Matsushita), all of whom had started micro-wave oven production in Britain during the 1980s.

BIUK staff turnover of 30-40% assisted in running down manning levels and provided a degree of 'flexibility'. However, as discussed in later chapters, new problems then arose, not least in the development of employee participation. The 'non-payment' of the 1989 Christmas bonus gave confirmation to the rumour that the Company was in deep crisis.

Globally there was increasing pressure on the traditonal typewriter market; cheaper and simpler

FIGURE 4: BIUK Organisation Charts Under Condition of Expansion and
Contraction, 1987, 1988 and 1990

JAPAN — — — — — — — — — —
HEADQUARTERS

MANAGING DIRECTOR (J)

| ADMINISTRATION MANAGER (J) | MANUFACTURING MANAGER | FINANCIAL MANAGER (J) | TECHNICAL ADVISORS (J) AND COMPUTER STAFF |

GENERAL OFFICE MANAGER   PURCHASING MANAGER (J)

OFFICER

| QA | INSPECTION | PRODUCTION CONTROL (J) | PRODUCTION MANAGER | PERSONNEL OFFICER | TECHNICAL (J) WAREHOUSE |

ASSISTANT PRODUCTION CONTROL

ASSISTANT PRODUCTION MANAGER

Line 1 Supervisor   Line 2 Supervisor   Line 3 Supervisor

SECTION

1	5	8
2	6	
3	7	
4		

SECTIONAL ORGANISATION

Supervisor
Assistant Supervisor
Group Leader
Floater
Operator

APRIL 1987

JAPAN — — — — — — — — — —
HEADQUARTERS

MANAGING DIRECTOR (J)

ADMINISTRATION
MANAGER (J)

PERSONNEL
MANAGER

FINANCIAL
MANAGER (J)

ADVISORY
GROUP (J)

GENERAL   PURCHASING
OFFICE   MANAGER
MANAGER   (J)

QA

PERSONNEL
B,C
OFFICER

FACTORY
1

FACTORY 2

DIVISION A

WAREHOUSE
MANAGER

DIVISON B

DIRECTOR (J)

QA DIVISIONS
ABC

DIVISON C
DIRECTOR (J)

MANAGING
DIRECTOR (J)

ADVISOR
(J)

PRODUCTION
MANAGER

PRODUCTION
MANAGER

TECHNICAL
ADVISORS (J)

PRODUCTION
MANAGER

ADVISOR
(J)

ADVISORS (J)

ADVISOR (J)

ADVISOR (J)

LINE 1

LINE 2

LINE 3

LINE 4

1

2

3

1

2

JANUARY 1988

```
                              JAPAN  - - - - - - - - - - - - - - - - ┐
                            HEADQUARTERS                             │
                                  │                                  │
                          MANAGING DIRECTOR (J)                      │
                                  │                                  │
                           DIRECTOR (J)     FINANCIAL MANAGER (J)    │
      ┌──────────────┬───────────┼───────┬───────────┬──────┬───────┤
ADMINISTRATION    PURCHASING    QA (J)   PLANNING    R & D    ADVISORY
MANAGER (J)        MANAGER      MANAGER   MANAGER    MANAGER   GROUP (J)
   │
 ┌─┴──────┬──────────┐
GENERAL  PERSONNEL  COMPUTING
OFFICE   MANAGER    (J + UK)
            │                    │          ┌───┴────┐
         PERSONNEL            GENERAL     FACTORY  FACTORY
          OFFICER            MANAGER (J)     1        2
                                                  COMPANY WIDE
                                                  IMPROVEMENT
                                                    SECTION
```

```
            ┌──────────────────────┬──────────────────┬──────────────┐
        FACTORY 1                                              FACTORY 2
    ┌───────┴──────┐                                               │
GENERAL      PRODUCTION       WAREHOUSE        WAREHOUSE        DIRECTOR (J)
MANAGER (J)   CONTROL          MANAGER          MANAGER            │
              ADVISOR (J)                 PRODUCTION CONTROL(J)───GENERAL MANAGER
                                                                   │
                                                                ADVISOR (J)
```

```
 ┌────────────┬─────────────┐            ┌──────────────┬──────────────┐
PRODUCTION   PRODUCTION   TECHNICAL    PRODUCTION     PRODUCTION   TECHNICAL
MANAGER (A)   CONTROL       (J)        MANAGER (B)    MANAGER (C)     (J)
   │                                      │              │
ADVISOR (J)                            ADVISOR (J)    ADVISOR (J)
   │                                      │     ┌────┐    │
   │                                      │        QA     │
   │                                      │               │
 ┌─┴──┐                                 ┌─┴──┐          ┌─┴──┐
 │    │ LINE 1                          │    │ 1        │    │ 1
 └────┘                                 └────┘          └────┘
   │                                      │
 ┌─┴──┐                                 ┌─┴──┐
 │    │ LINE 2                          │    │ 2
 └────┘                                 └────┘
   │
 ┌─┴──┐
 │    │ LINE 3
 └────┘
```

DECEMBER 1990

wordprocessors and computers clearly were eroding the now mature, typewriter market. Evidence for the 'end of product cycle' was also found in IBM which was reported to be selling its low technology electric typewriter business, while Smith Corona, the US typewriter manufacturer, saw a sharp downturn in its profits in 1990 (FINANCIAL TIMES 1990a; 1990b).

Currently BIUK is under growing pressure to cut its workforce, though at the time of writing the Company's unwritten commitment to a no-redundancies policy at the manufacturing plant, has not been broken because reductions have been achieved through high labour turnover and the creation a 'pool' of workers employed on various off-line tasks. At the time of the final phase of the research 120 redundancies were announced in the sales and distribution centre and the management at the manufacturing plant were facing growing uncertainty as the recession deepened. Though morale was low at the end of 1990, encouraging rumours suggested that the arrival of a project team of engineers from Japan, would bring better prospects for a new model to 'take up the slack'.

Nevertheless, near the end of the research, shop-floor rumours were rife that the Company was planning to make compulsory redundancies or to shut down completely, cut its losses and return to Japan. As is discussed in later chapters, demands on top management

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to 'open the books' and disclose the Company's 'true'
plans created difficulties for both British and
Japanese managers.

For British managers, a growing sense of impotence was
created by virtue of their exclusion from the
(Japanese controlled) decision making processes and
they could not offer authoritative answers to
subordinates on job security.   For representatives on
the Company Council the lack of shared information
highlighted a growing disenchantment, which had
simmered for several years.

Currently, BI is looking for growth in the personal
computer business and expects to expand its marketing
operations in Eastern Europe.   BI's continuing
challenge - as a comparatively small player in the
highly competitive consumer electronics market where
research and development costs are enormous and
product life cycles short - is to find new profitable
products and bring them on to a global market quickly
enough to beat predatory competition.

CHAPTER 5

PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS: AN EVOLVING FRAMEWORK

The Environmental Context

Clwyd underwent an abrupt decline in the 1980s and dependence on a few large, but declining industries – namely chemicals, coal, steel and textiles – resulted in huge job losses amounting to some 20,000 in the two years between 1979 and 1981.   The decline of the coal mining industry has been little short of catacylsmic. At best there were 36 pits, now only a single mine is operational.   By 1981, adult male unemployment in the region was running at 19% (FINANCIAL TIMES 1990 op cit).   Expectations for continued employment in traditional industries, were dashed in 1989 when the one remaining steel making plant in the region announced its closure.   1,125 jobs were lost in this one firm alone.

However, despite the massive decline in 'traditional' industries, accelerating inward investment has helped to revitalise the region.   Government aid to the region during the 1960s, together with European Coal and Steel Community loans, has helped to inject new business confidence.   Three former colliery sites have been transformed into industrial estates and have

proved particularly attractive 'green-field sites' for multi-national companies.

Attracted by regional development grants and subsidies, relatively cheap land prices and improving road communications and low wage costs, some 6,000 jobs had been created in Clywd by foreign investors between 1981 and 1990. The revival has been spearheaded by a number of foreign owned manufacturers establishing plants in the area. The largest presence has come from American firms like Kelloggs, Kimberley Clark and Monsanto. The Japanese have the second largest presence which began with the Sharp Corporation in 1984 (FINANCIAL TIMES SURVEY 1990 op cit).

Total employment in electronics related companies in Wales increased from 13,368 in 1978 to 23,226 by end of 1989 (FINANCIAL TIMES 1990 op cit). These newly established manufacturing firms have predominantly recruited low paid, young female staff. Therefore their arrival has had only a limited impact on long term male unemployment in the area, which remains above the national average. By 1990 however, overall unemployment levels had fallen to 6.2%, just under the national average. The North Wales area has large rural communities with the largest concentrations of population being grouped around Wrexham. In the Clwyd region manual workers make up 46.8% of the workforce.

Some 35% of the region's workforce is currently employed in the manufacturing sector. Wages for women in the area are 85% of the national average. The service sector and agricultural sectors are also dominated by low paying part-time female employment.

Brother Industries (UK) Ltd is now one of seven Japanese manufacturing subsidiaries which have established operations in Clwyd since 1980. Japanese firms currently employ some 2,500 people in the area. BIUK, like other foreign owned firms, was attracted by a range of preferential incentives and grants offered in the region including generous 'selective assistance' and a £3000 allowance given for each new job created in the region.

The pay levels offered by Japanese firms are in the median range in the area though some of them have been accused of operating as 'screwdriver plants' with a low-wage, low-skill workforce. Certainly BIUK can be categorised as a 'low-skill' firm where initial operator training can be as little as a few hours. BIUK's wage rates are marginally lower than the other large Japanese employer in the immediate area.

Ironically, the revitalisation of the economy of the region has contributed to waves of high labour mobility and turnover. Marginal improvements in wages prove attractive, particularly to young workers.

Young people in the area seldom have family responsibilities of their own and are said by employers in the area, to have low company loyalty (MUNDAY 1990 op cit).

High labour turnover and absenteeism are particularly high in Japanese electronics firms, a phenomenon that is widespread throughout Europe. A survey conducted by JETRO showed that there were numerous cases of Japanese electronics firms in Europe with a quit rate of between 40-50% per annum (JETRO 1990 op cit p 108). BIUK's turnover rates and absenteeism are also within this range. Other Japanese electronic firms in Wales have confronted the costs and benefits of a youth recruitment policy in different ways. Sony, for example, like BIUK and Sharp adopted a youth recruitment policy, but Toshiba is reported to have 'steered away' and adopted a more 'balanced' age and sex profile (BAILEY 1984; TREVOR 1988 op cit).

Though only anecdotal examples can be cited, the external labour market and rising wage levels have also had an impact on the manpower policies of Japanese firms. For example in attempts to retain 'key' workers with special skills by internal promotions. Personnel departments, though outside contracts of employment, have stressed 'no compulsory redundancy' policies - to emphasise the difference between Japanese firms and other employers.

After the wave of optimism that spread into the area
during the 1980s, as outlined in chapter 4, there are
now signs that the rapid growth achieved may be short-
lived. Workers and managers, many of whom have taken
jobs with Japanese firms which have held out the
prospect of long term job security are fearful that
multinationals, like BIUK, may even disappear as
quickly as they came if the recession cuts deeper in
1991 (FINANCIAL TIMES 1990 op cit).

Rationalisation, and even closure of Japanese plants
which had expanded rapidly, was openly discussed by
all, except the Japanese staff. Towards the end of
the BIUK project, even the 'long stayers' were talking
openly about "leaving a sinking ship". Job losses in
other plants manufacturing micro-wave ovens is
reported to be of growing concern to Japanese senior
staff, who fear the damage which could be done to
their company's reputations as long term players in
the European market (FINANCIAL TIMES 1990 op cit).

BIUK's Personnel Management Policy

During the formative period of Brother's operations in
UK a 'hybrid' management style (one which blended the
'best' of British and Japanese approaches) formed a
central element of internal discussions on
manufacturing and personnel strategy. As is argued in
later chapters, this goal became increasingly

difficult to sustain over the Company's five year history. Despite the delegation of formal responsibility to British production managers in Factory 1 by 1988, control over strategic decisions remained firmly in the hands of Japanese management through extensive contact and consultation with Head Office in Japan. In 1990 BIUK still had a complement of 30 Japanese managers and advisory staff and as shown in Figure 4, these staff occupied positions of authority in all important areas of the business.

Where local managers were formally handed 'control' their performance were invariably evaluated by the 'shadow technique' of Japanese advisors and the extensive use of daily and weekly meetings. Though the Japanese management held out the prospect of localisation of control, it was clear that the Company planned only to execute a 'partial' localisation strategy. The Managing Director likened this long term form of local management control to Japanese Kabuki theatre where:

"The puppeteers manipulate the dolls but are hidden from view."

Even in the area of personnel management where previous research has suggested a relatively high level of local management control, the BIUK case shows a considerable degree of Japanese influence in setting the main framework for industrial relations and

personnel policy, often with regular Head Office
'rubber stamping'.

In the light of these covert strategies, the issue of
management control and influence became inextricably
connected with the scope and potential for employee
participation in management. In practice British
managers were increasingly frustrated with their
estrangement from the Japanese dominated decision-
making processes. How, it was asked repeatedly, could
employee participation be a viable approach under a
regime where Japanese dominance provided severe
limitations for professional local management
participation?

Recruitment and Employment Levels

Figure 3 outlines the employment levels during the
period of the fieldwork for the project. Recruitment
was organised by the UK General Manufacturing Manager
prior to the appointment of personnel professionals in
1987 (See Figure 4). The 1988 chart reflects the
changes consequent on rapid growth and product
diversification after 1987. Between 1988 and 1989 the
size of BIUK workforce multiplied by a factor of
three. The 1990 chart shows the changes in structure
following a major rationalisation programme aimed at
bringing the Factory 2 under a more integrated
management control structure.

By 1990 the average age of employees had risen from 18 in 1986, to 25. The number of long serving staff employed at the end of 1990 is outlined in Table 6. The distribution of female labour was concentrated at the operator and clerical levels. Later a modified policy of older recruitment proposed by UK production managers, was accepted by the Japanese senior managers as a possible solution to problems encountered with younger and immature workers who had poor records of absenteeism and lateness. Though actual figures were not made available, reliable information from Personnel Department, corroborated by production managers, revealed that labour turnover averaged at 40% between 1986 and 1989. In January 1989 alone, 26 employees resigned.

A monthly incentive of £20 is paid to stabilise attendance problems but records show that the policy has had a mixed response, much to the chagrin of Japanese staff, whose working hours were a continual source of bewilderment and some amusement for the British workers. In fact Japanese late working hours became increasingly influential on extending the 'normal' working time of British managers. After some three years, the Managing Director in an attempt to 'set an example' to Japanese managers by leaving around 7pm, and in any event many Japanese came in over weekends to attend to 'urgent' business.

Given that the multi-item small-batch production
system operated with short lead times and therefore
little 'slack', tardy attendance had an almost
immediate impact on productivity. Under such highly
integrated, labour intensive assembly production,
there was a requirement for daily manpower adjustments
and cooperative worker attitudes to achieve flexibilty
and smooth production flow. In the absence of a
stable, trained workforce the mode of management in
such firefighting situations was invariably
'directive'. This did little to engender cooperative
attitudes from shopfloor workers and, as interviews
revealed, such authoritarian management styles were
linked to the employees propensities to participate in
workshop improvements.

A considerable number of firms in Japan have used
casual labour as a 'buffer' to cushion the
fluctuations of product demand. Between 1988 and 1989
BIUK used both part-time and temporary staff
extensively to cope with the peak Christmas demand.
By Christmas 1990, however, no temporary workers were
employed and only 35 part timers. The 'slack' labour
had been taken up by a turndown in product demand and
overall lower manning levels. No new starts were
recruited from Autumn 1990.

A further unintended adverse consequence has been the
impact of the use of part-time staff in BIUK on the

propensity for employee participation. This was most
evident in achieving a modicum of employee commitment
to small group activities, especially when short term
contracts were extended or renewed with little, if
any, prior warning.

Japanese senior managers have, sometimes emotively,
expressed concern over the "lack of loyalty " shown by
the readiness of local 'core staff' to move to jobs
with a marginal improvement in wages. Japanese
frustration has also surfaced with the turnover of
middle managers, their perceived lack of functional
flexibility and understanding the importance of
developing advances in management-employee
communication and participation. These criticisms
have led to difficulties in the planned scale and pace
of localisation reported to the author, both from BIUK
Japanese respondents and executives in Japan.

Work Organisation

Based on short customer lead times, BIUK aimed to
adapt a Japanese multi-item, small-batch production
system for their British operation. The measurement
of jobs, broken down into balanced cycle times (or
Tact times) formed an integral part of this highly
efficient but alienating work organisation (MONDON
1983 op cit). Line speeds were controlled by chimes
(Andon) and were required to be adjusted quickly and

flexibly - unilaterally by management - to meet changes in production targets. Quality was planned to be 'built-in' rather than inspected-in to product assembly.

Layout schemes for Factories 1 and 2 are shown in Figure 5. Surprisingly little automation was used to cope with changes in small, mixed-batch production which required the flexibility that humans, rather than automated technology could achieve at competitive cost. The contrasting views on what was attainable with a British workforce as illustrated by this comment:

> "The Japanese are still naive on flexibility, they still have the attitude that we are paying a person rather than paying the job. You hear the Japanese say 'you do this, and you do that' and they just don't understand when people say that's not my job." (Personnnel Manager 1990)

Training was put forward as a priority in the first stages of BIUK's longer term objectives and was mentioned in all the recuitment interviews. In practice the average time taken to reach task efficiency was approximately a week. The longer term development of multi-skilled workers was linked to developing positive and cooperative attitudes. The Japanese soon realised that the 'fit' between manufacturing efficiency and labour utilisation was part of a social, as well as a technical system (EMERY 1959op cit; INAGAMI 1987 op cit).

FIGURE 5: Layout of Offices and Production Facilities in Factories 1 and 2 (1989)
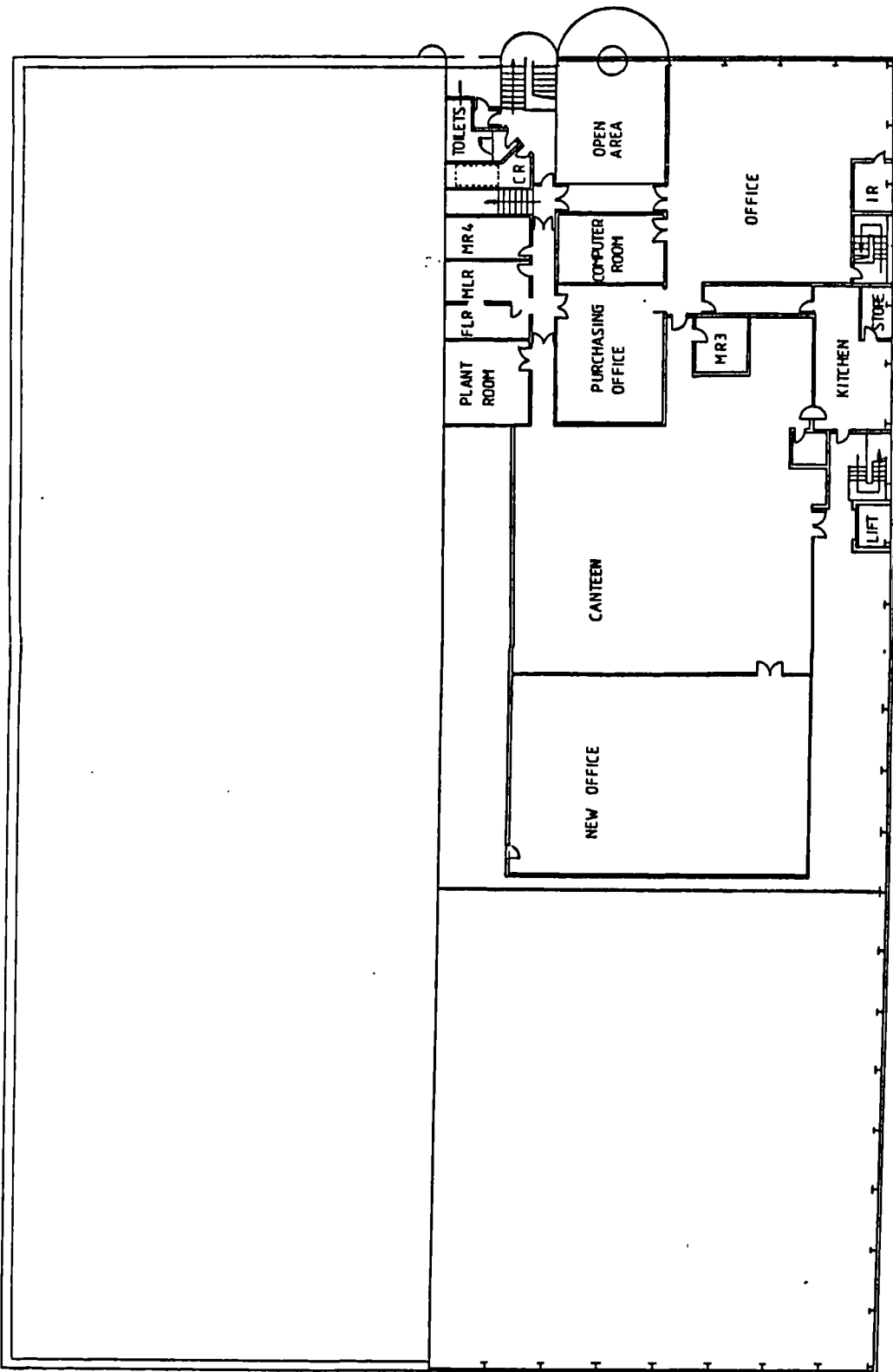
KEY

MR — MEETING ROOM
IR — INTERVIEW ROOM
FLR — FEMALE LOCKER ROOM
MLR — MALE LOCKER ROOM
CR — CLEANER ROOM

FACTORY 1

WAREHOUSE OFFICE

SUPPLIER QUALITY ASSURANCE

RECEPTION

PRODUCTION OFFICE

WAREHOUSE PARTS

KEYBOARD SCANNER ROOM

FINISHED GOODS

CHASSIS

TRAINING ROOM

CE ASSEMBLY LINE

HEAD/CHASSIS   ADJUSTMENTS   INSPECTION   PACKING

AX ASSEMBLY LINE

ADJUSTMENTS   INSPECTION

EM ASSEMBLY LINE

HEAD/CHASSIS   ADJUSTMENTS   INSPECTION   PACKING

PACKING

QUALITY ASSURANCE

FACTORY 2

PROTOTYPE ROOM

PRINTER HEAD ASSEMBLY AREA

MICROWAVE OVEN CAVITY

MAIN OFFICE

DIRECTORS ROOM

MEETING ROOM 1

CONFERENCE ROOM

MEETING ROOM 3

MEETING ROOM 4

MICROWAVE OVEN/ DOT MATRIX PRINTER SUB ASSEMBLY AREA

MF

MR

ER

SP

HP

8P

OP

CANTEEN

FIRST AID ROOM

PERSONNEL ROOM

WORKSHOP

PRINTER WAREHOUSE

MICROWAVE OVEN WAREHOUSE

MICROWAVE OVEN — MF

MICROWAVE OVEN — MR

MICROWAVE OVEN — ER

DOT MATRIX PRINTER — SP

DOT MATRIX PRINTER — HP

DOT MATRIX PRINTER — 8P

DOT MATRIX PRRITER — OP

GOODS INWARD

FINISHED GOODS

SQA OFFICE

WAREHOUSE OFFICE

ENVIRONMENTAL CHAMBER

COOKING TEST ROOM

MICROWAVE OVEN-QA

PRODUCTION OFFICE

PRINTER-QA

One the first personnel management decisions was that
all staff, including managers and office workers
would wear the Company uniform (jacket) as in Japan.
Complaints soon arose from fashion conscious young
staff over the 'dowdy' blue coats and later led to
lengthy discussion on a new uniform in the JCC.
Indeed, as early as 1987, workers were raising
questions on why certain matters that operated in
Japan should automatically be 'forced' on UK staff.

Factory discipline in BIUK was strict and similar to
other plants researched (WHITE and TREVOR 1983 op cit;
REITSPERGER 1982 op cit; TREVOR 1988 op cit),
emphasised timekeeping, tidy housekeeping, no eating,
sitting or 'excessive' talking on the line. What is
also interesting is the change from the formative
period of the Company to the more formalised and
centralised arrangements that subsequently emerged
(HICKSON et al 1971). To illustrate this point a
quotation (paraphrased) from the first British senior
manager to be appointed in 1986:

> "The first employees helped to build the assembly
> lines, to put them in and set them up. The whole
> philosophy was that everyone from the managing
> director down does everything. We talk of Members
> of the Company rather than employers and
> employees. We have also appointed group leaders
> for every ten or so operatives and organised
> various small competitions which are tied up with
> attendance records and production targets which
> Members set themselves. We try to apply the best
> of Japanese company philosophy with the best of
> British."

Two months after production started in the new factory there were glowing reports emerging from Brother's Japanese Spokeman who described;

> "The delight with our 17 year old girl recruits whose adaptability and enthusiam is impressive." (Daily Post Feb 10 1986)

The same article referred to the 'secret' of the production system which lay in 'healthy' competition between groups to achieve improvements in quality, in management's disclosure of information and displaying production targets to employees and job switching to relieve boredom in a cycle (Tact) time of just 58 seconds.

Factory discipline was a problem for new recruits, especially school leavers, many of whom expressed dissatisfaction at having left school only to find not dissimilar systems of regimentation and close control in Brother. It was common for the author to hear a member of the production staff or personnel department bark out, "Walk don't run!" to a youngster over eager to get to the canteen tea break. Overall, it became a source of growing Japanese disillusionment that over time the company was not as successful in developing highly disciplined workforce as rapidly as had originally been expected.

Production targets became more and more demanding.
In practice, the Japanese production system is
optimised when small but continuous improvements are
made in productivity. Labour is utilised as
efficiently as possible with adjacent workers and
supervisors helping each other in a system of mutual
relief as production becomes stretched. This requires
both a teamwork mentality and multi-skilling, which
contrast sharply with the somewhat (rigid)
occupational consciousness found in Western
organisations. Unlike the vague definition of 'job'
in Japan the British workforce had a keen conception
of where 'job' responsibilities ended (DORE 1973 op
cit).

Despite the flexibility clause written into the EETPU
agreement in 1987, switching to another line or
factory to another was often resented. Each of the
two factories had its own sub-culture. Factory 1,
which was established first, was by then,
comparatively highly disciplined and often referred to
as 'Tenko' by operators. Japanese staff appeared
naive toward the willingness of UK staff to be
deployed without question or explanation. The
Japanese approach to resistence on job transfers was
to offer more information, expecting that through the
British management and supervisors, operators would
learn to be more willing to cooperate. British
managers tended were considered by the Japanese to be

'heavy handed' in man-management, and were astonished to observe how little time was spent counselling staff. In contrast British managers, as shown in Chapter 7, regarded the idea that more effective communications would automatically produce positive attitudes as an ill-judged Japanese appraisal of British worker mentality.

Achieving this form of task flexibility therefore became a source of Japanese criticism directed at British management, rather than operatives. It is of interest that the Japanese evaluated British managers' performance as part of an ability to motivate and develop subordinates. As is argued in chapter 9, this is why small group activities provides a 'window' on group performance not readily seen in the assembly areas. Clearly *British management's* 'human relations' performance was being evaluated by Japanese senior managers, just a closely as other forms of 'output'. This left the UK managers frustrated since their attitude was largely one that perceived shopfloor workers as 'instrumental'. As one British production manager put it:

> "Pay levels are obviously important and many of our staff are here for nothing but the money. Our labour turnover problems are related to pay because we know that many leave for just a 'bit more money'."

A view echoed by the personnel officer in 1990:

> "Getting flexibility is like pushing water up a
> hill. Brother's staff are simply not ready for
> this no matter how hard we explain why it is
> necessary. Then we have to fall back on our
> authority".

To reiterate, achieving operational efficiency in

British hands, produced a directive and 'heavy handed'

role for management and supervisory staff in order to

police the 'tight' production system.

Between 1987 and 1990 absenteeism actually rose more

quickly in Factory 1 than in Factory 2, which had been

established two years later. Interviews with Group

Leaders revealed that this was mainly due to the

gradual increase in intensity of work i.e. cycle times

were reduced from 58 in 1986, sometimes down to as low

as 23 seconds at the end of 1990. A telling comment

on the sheer pace and repetitiveness of assembly work

came from from the Personnel Manager in 1990:

> "We know when the Tact time has been lowered
> because we find girls crying in the toilets".

Trade Union Recognition

As mentioned earlier, Japanese management evaluated

possible industrial relations strategies very

carefully. Japanese firms in the UK faced options

either to avoid unionisation, to accept unionisation

and watch it develop passively or possibly, first

accepting unionisation but then develop structures and

strategies to influence the outcome of union recognition (REITSPERGER 1986a op cit p 76).

BIUK had drawn on the experiences of other Japanese companies which located before 1985 and initially decided that 'outside' trade union involvement might have an adverse impact on the desire for unilateral control over personnel policies. Until union recognition was agreed with the EETPU in 1987, all terms and conditions of employment were indeed decided unilaterally. The establishment of a Joint Consultative Committe in late 1986 did not function as a 'House Union' athough the Japanese senior managers did discuss the prospects of a Japanese-style Enterprise Union as an option.

However, in the face of a rapid growth in company size and mounting demands by shop-floor workers to exercise their 'right' to join a trade union, recognition seemed inevitable. The Japanese Administration manager was convinced that once the workforce reached 300 it would recognise a 'cooperative' union from those that had previously requested consideration. This policy, executed again through the British General Manager, followed close consultation with Head Office in Japan over several months. In 1990 BIUK issued a General Information document which outlined the Company's inndustrial relations policy,

emphasising consultation and discussion rather then collective bargaining:

> "We have a single union (EETPU) and a Company
> Council. In fields of labour relations the
> important matters such as wage levels are decided
> through discussions between the British General
> Manager and Japanese staff on the basis of plans
> by the Japanese Staff. The results of discussions
> are explained by the British General Managers to
> the British supervisors. We have adopted this way
> to communicate with local employees'
> satisfactorily." (Internal company document
> General Information on BIUK June 1990)

By 1990 union membership was approximately 50% of the total workforce. The functions and operation of an integrated consultation and bargaining Company Council following union recognition is discussed in detail in Chapter 8.

The trade union has in fact struggled to maintain a 40% membership, despite annual recruitment drives from the Regional Organiser and even joint general meetings given with the Personnel Officer spelling out the advantages of membership. The questionnaire survey showed that employee attitudes were clearly split as regards the benefits of the union. Those who felt that the union was 'important' numbered 35% in 1989 and 42% in 1990. Those who indicated that the union was 'unimportant' to them were respectively 51% and 42% of the respondents. Thus, it seems that these numbers suggest that the union appears to be gaining support marginally although several shopfloor

repondents interviewed suggested when interviewed, that, in the main workers with a 'grouse' were more likely simply to leave than get the union involved.

A feature of the EETPU recognition agreement is that collective bargaining procedures are integrated into a Company Council. The Company Council replaced the Joint Consultative Committee (JCC) which had no powers of joint regulation. Under the new arrangements the formal independent trade union structure is retained, but in practice the union is charged with a cooperative function and, in this sense, resembles the consultation/bargaining structures of Enterprise Unions in Japan (BROAD 1986 op cit).

Only half of Company Council representatives were union members. This position led to a change in the workers' strategy (advised by local union officials), which aimed to achieve an all-union membership elected on to the Company Council. This target was achieved by the end of 1990.

The first pay claim in 1988 highlighted some of the problems of an integrated consultation and bargaining forum. Unsurprisingly perhaps, the negotiations also exposed the lack of experience of shop steward representatives. The claim was for a reduction in working hours from 40 to 39 hours and a 7% increase

across all grades, also included a lengthy 'shopping
list' of other items and grievances.

After an initial meeting with shop stewards,
management reported that they would not consider the
claim in the form it was presented. Representatives
were asked to come back with a fresh claim. After
extensive guidance from the local EETPU official, an
offer was finally put to a ballot of union members. A
ballot generated a two-thirds majority in favour but
from *only* those union members who were eligible to
vote, i.e. 45% of total employees. Therefore in real
terms a minority of all employees voted 'on behalf' of
all the workforce.

CHAPTER 6

INTRODUCING EMPLOYEE PARTICIPATION IN BIUK

Principles and Practice

In this Chapter the unfolding phases of developments
in employee participation between 1985 and 1990 in
BIUK are briefly introduced. They reveal a tapestry
of trial and error, of both careful planning and
'blundering through'. Above all, these events show
that whilst the institutional development of employee
participation may be *formally* established in a
Japanese-owned subsidiary with a relatively high
participation potential, participation in *practice*
opened up many unanticipated areas of difficulty that
were not resolved quickly or easily. Drawing on
perspectives from British management attitudes and
comparing these with evaluations from Japanese
managers and advisors longitudinally, provided
valuable insights into the nature of some of these
difficulties.

In the review of literature it was argued that what is
characteristic about Japanese organisations is that,
compared with Western practice, employers place prime
importance on human resource development (OUCHI 1981
op cit and others). Within this framework various
participative techniques have been developed to
utilise human resources to their fullest extent. As

such, high-involvement management is a fundamental characteristic of Japanese organisations (BROAD 1986 op cit).

By applying Walker's concept of *participation potential* and *participation propensity* to an a Japanese manufacturer in a British industrial environment helps us to compare the application of employee participation in different national settings (WALKER 1970 op cit). In examining Brother's systems, it has been emphasised that the importance of exploiting the exisiting participation potential was viewed as an *integral part* of wider business objectives (as shown in Figure 1). In contrast to 'pure human relations' theories which seeks remedies for worker alienation as an end in itself, Japanese employers, whether at home or in overseas subsidiaries, set personnel management objectives to unlock *latent propensities* for workers' participation.

In devising collaborative strategies, employers seek to utilise labour power to its highest level. Workers who can participate effectively in dynamic production systems need to be equipped with the fundamental traits of skill and adaptability, both of which are dependent on positive attitudes and motivation (SHIMADA 1990 pp 4-8). Companies in Japan, employing as it were, the 'whole person' have spent considerable resources in devising reward and incentive systems to

achieving these traits amongst their workforce.
Usually these strategies are long term and call for
continuous effort and management commitment.

It became clear from successive interviews with
Brother's senior Japanese staff, that whilst long term
strategic goals were congruent with those in Japan, a
simple 'transfer' of formal arrangements for employee
participation from Japan was never a serious short
term option.   In practice, a 'rolling set of
contingencies' was adopted that was capable of
shifting from the short and medium, to the long term.
Though a Japanese blueprint, carefully sculpted to fit
the UK requirements, was absent, nevertheless *senior*
managers appeared to be clear sighted in *why*
participation was important to the long term success
of operations.   Interviews with Japanese staff over
four years highlighted what might be described as the
'synergy' between 'human relations' principles and
'hard' commercial objectives.

What was also noteworthy was that the 'goals' and
subsequent evolution of BIUK in a production
manufacturing sense, were also contingent on Japanese
staff first learning the potential and propensities
for participation in the conditions of a British
industrial culture.   In other words, Japanese
strategists required 'empirical evidence' *from*
obervation and 'exposure' to British managers and

workers, to enable them to formulate a policy. As was argued in Chpater 2, this helps to explain why, in the first stages of Japanese investment in Britain, participation policies were largely 'invisible' to outside observers.

Headquarters set only loose parameters for the Japanese team that spearheaded BUIK's foundation in the UK, but plans and proposals containing quite detailed information were regularly submitted for approval. These HQ approvals were also sought for personnel matters via daily FAX transfers whilst periodic strategy meetings between the Managing Director and Corporate Directors were held.

Nevertheless, it was the selection of the 'right' person to lead the UK project, backed up by a small hand-picked team, which was seen as more important than any detailed plan derived from the corporate planning division. Learning from local experience, review and continuous improvement, in a mode similar to other Japanese companies overseas, formed the benchmarks for incremental change in BUIK operations.

For Brother's general and production managers, learning the Japanese approach to manufacturing, (based on designs and specifications drawn up in Japan) proved to be a daunting challenge since most British managers had little or no experience in

electronics manufacturing processes. Continuous feedback on operations was required by the Japanese, and led to unexpected demands on local staff, that tested their competencies (and frequently their emotions!) to the limit. The conviction to succeed through 'continuous review and incremental improvement', was perceived by many British managers as a system 'imposed' on them without adequate consultation.

In Japan, changes on the factory floor galvanise an immediate worker response, and the author was told that sections leaders and supervisors 'get everyone involved as quickly as possible', to meet any modifications smoothly. As in most of Japanese industry, individuals managers are rarely rewarded unless the improvement is 'orchestrated' in the context of a group (BROAD 1987a). The production system has to respond quickly to changes in (product market) design specifications, and BI management believes that these factors require intensive communications with staff to ensure they know what is happening and why. JIT inventory systems, multi-item small-batch production systems and the needs of a highly educated workforce, are believed by senior staff to have important imlications for employee involvement (ISHIDA 1981; SHIMADA 1990 op cit). BI employees expect long service and participation is strongly emphasised in company training. In short all

staff are therefore, expected to 'participate enthusiatically' in the success of the business (TAGAKI 1984).

For the Japanese senior management of BIUK, the challenge in establishing a programme of effective communications with the local workforce was seen as vital in 'educating' managers and workers of the necessity to do things the 'Japanese way'. For Japanese managers, 'involvement' of subordinates does not have the 'specialness' that the concept of 'employee participation' has in British industry. On the other hand, in certain aspects, the Japanese staff saw themselves as 'prisoners' of their 'narrow' schooling in what is frequently referred to in interviews as the 'Japanese-way' - often described as a unique approach to management and backed-up with an undisputed capability in manufacturing excellence.

The communications policy was a first step in building a foundation for any significant future 'development' of human resources. 'Root and branch' employee communications (sometimes called nemawashi in Japan) was also 'tied-in' at the level of the corporate business philosophy. The 'vision' for the further development of BIUK which was 'shared' with UK senior managers only incrementally. However, there was an expectation that local managers would 'reformulate' information, and disclose it in a form 'necessary' at

each organisational level. As is shown later, this process proved much more difficult to achieve in practice.

Though other writers have referred to the 'dependency relationship' nurtured in Japanese overseas firms, the evidence from this study suggests that 'inter-dependency' is a rather more appropriate description of the early relationship between local managers and Japanese (OLIVER and WILKINSON 1988 op cit). In the case study presented here inter-dependency of basic managerial skills was overlaid with a Japanese emphasis on consensus, communications and an open style of decision-making that clearly depended on the local managers' knowledge of employee attitudes and behaviour.

'Interdependency' must therefore, also be viewed as a *dynamic relationship*, the contours of which are modified with changes in personnel issues and processes over time. For instance, in the first stages of BIUK's development the Japanese were highly aware of their dependency on British staff for basic language competency, advice on linking with external agencies and local suppliers, and interpreting the requirements for manpower and personnel matters.

A locally recuited management intermediary, with knowledge of both British and Japanese methods, was

also desirable in communicating the goals and philosophy of the Japanese policy into a form capable of being understood and acted upon by local staff. Dependency clearly ran in the opposite direction when functional control was reinforced by an unchallenged manufacturing competency and a technical information system completely dominated by Japan.

The provision of an adequate level of extensive two-way communications and reciprocal learning was therefore seen as essential not simply for short term expediencies of establishing production, but also for human resource development and harmonious .industrial relations. But the primacy of Japanese control in this particular firm became evident not only in production and administration management but also had significant influence in all functional areas of operations including personnel matters. The strategy was outlined by the Managing Director as:

> "My policy was that the UK staff should learn about the Japanese way. After that, sometime in the future, there could be a discussion on the 'best mix' between local styles and the Brother way .... We had to say to our (British) managers, 'We encourage all staff to put your ideas forward and we hear what you say but please do it this way — Thank you'. In practice we had to impose many things because we had to get production going quickly."

Here again it is suggested that BIUK styles and philosophy were significantly influenced by Japanese

methods.   The organisation chart in Figure 4 outlined the Japanese dominance in the decision making process, with Japanese managers and advisors marked 'J'.   Where UK managers gradually took formal positions of authority, Japanese personnel 'tracked' them in a 'dual management' structure.

In the literature review, it was pointed out that human resources are commonly delegated to local professionals (REITSPERGER 1986a op cit; WHITE and TREVOR 1983 op cit).   A detailed examination of BIUK internal operations over several years suggests that the assumed controlling influence of British managers in personnel matters may well be an over-simplification.   Other examples include, Quality Circles and even on research findings provided by HQ on the ergonomics experiments undertaken by Toyota Motors on assembly line productivity.

In terms of establishing a programme of employee participation, the Japanese management were torn between a deployment of the 'tried and tested' Brother model, as a 'fixed' set of methods and principles or, alternatively, using local managers to make progress. In practice Japanese views were dominant partly because the authority relationships had been shaped in terms of 'compliancy' and the British near-deference to the perceived competency of Japanese management. Another contributing factor was that UK managers were

largely split amongst themselves on the *principle* of employee involvement. Unlike the Japanese group the UK managers seemed to lack a cohensive front to support a collective view on major issues.

The dynamics of what actually emerged in terms of communications, consultation and small group activities over a five year period of development is considered in detail in succeeding chapters. In line with the analytical framework developed in Chapter 2, Japanese staff were clearly of the opinion that the *participation potential* for BIUK was high. What Japanese staff could not evaluate independently was the participation *propensities* of managers and employees. The latter would be tested experientially.

Communication and information sharing methods provided the first stage in what was desribed earlier as a three stage model of participation adopted by BIUK (SAKUMA 1987 op cit). Open communications is a basic policy of BIUK designed to build an information sharing system in which 'members' of the Company *feel* involved, though without actually being involved in the decision making processes (SAKUMA 1987 op cit). Like Japanese practice, management should be encouraged to inform the workers about factory matters as an aspect of 'organisational learning'.

In terms of structures and processes, BIUK set out in
its formative period of development to operationalise
open communications with open plan offices, daily
briefings for managers cascaded down the
organisational hierarchy, reinforced by regular
feedback from production through supervisors. The
production line was divided into sectional work teams
and assigned a supervisory hierarchy including
assistant supervisors, group leaders and floaters.
Supervisors were charged with instructions to deliver
a daily briefing to operators covering 'proximal'
matters of interest (see Figure 4 'sectional
organisation' on factory layouts). Workers would be
encouraged and praised for making suggestions, no
matter how primitive. This is the basic Japanese
management principle of 'kaizen' or 'unending
improvement by gradual stages'. The aim of
introducing 'kaizen' into BIUK can be illustrated
diagramatically, as shown in Figure 6. 'Improvements'
were to begin with top management and 'cascaded'
progressively down and across the enterprise to the
shopfloor level.

As highlighted, also in chapter 7, the feedback on
management-employee communications showed that
performance by British managers in practice was
unsatisfactory, especially in keeping supervisors
sufficiently well informed to brief their work teams.
Rivalry amongst the UK managers was also thought by

FIGURE 6: Incremental Shift Strategy For Continuous Improvement Across Organisational Levels
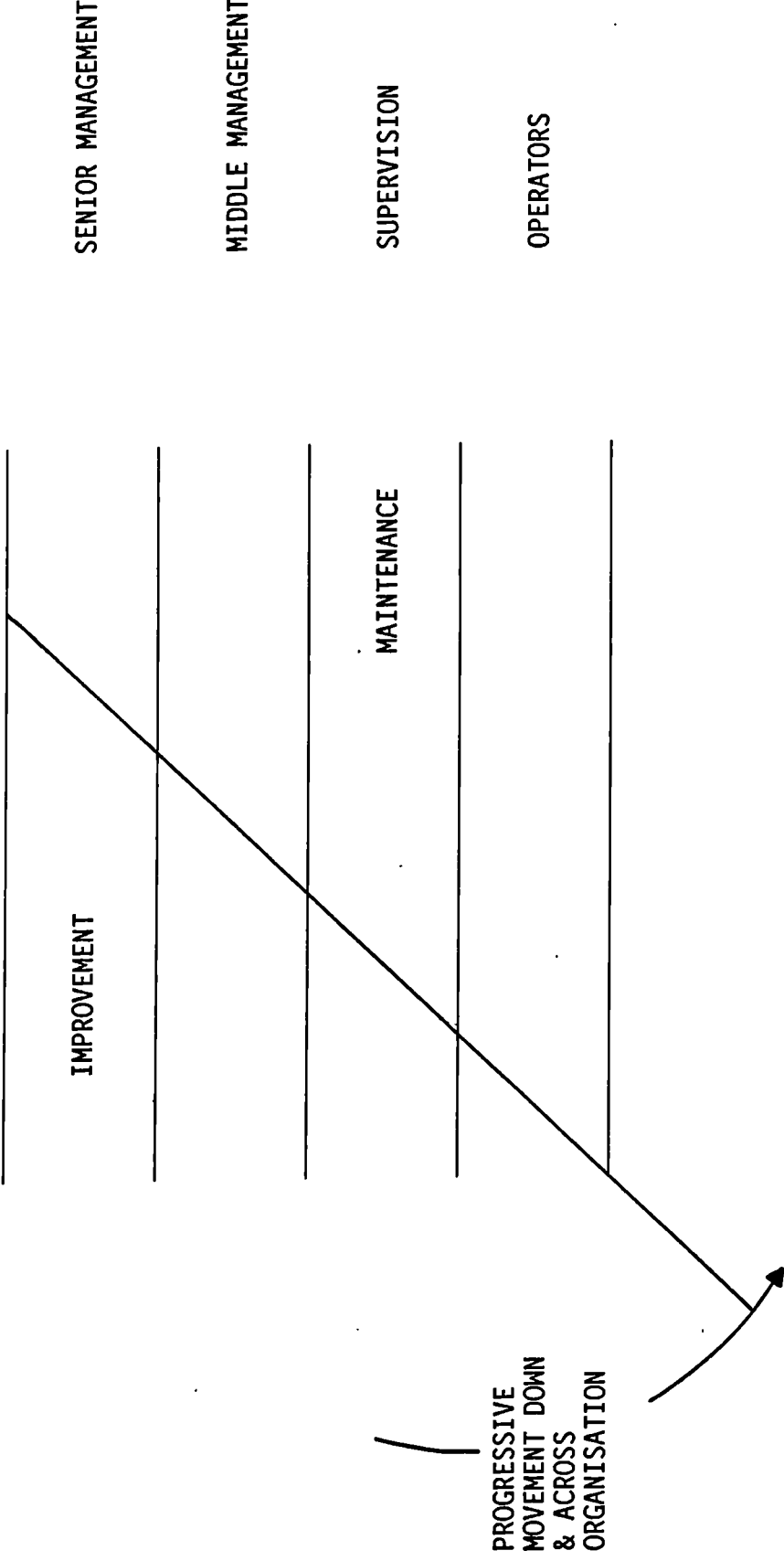
the Japanese to be pronounced, undermining information sharing and management team work.

As has been articulated by other international studies Japanese staff 'track' local managers by 'twinning' Japanese staff with functional heads aimed at providing close inter-departmental control through speedy lateral communications, known to be an inherent weakness in Western firms (TAKAMIYA 1981 op cit). These twin-track structures also provide important training relationships and opportunities for role behaviour acceptable to both cultures (REITSPERGER op cit p 42). However as highlighted in Chapter 7, feedback on communications to Japanese advisors showed up the dominance of Japanese staff in the organisational power structure. It was Japanese staff who appraised performance as unsatisfactory and implemented several new inititives without involving more than the top two or three UK managers after 1987.

By late 1986, eighteen months after BIUK was formed a Joint Consultative Committee was established to provide factory level information intended to be fedback 'indirectly' by elected representatives to workmates. The JCC was construed by some British managers as a means of 'staving-off' union recognition in the factory. Differences had emerged between Japanese senior staff who were ready to accept

unionisation as the firm grew in size and UK managers, whose views were almost entirely opposed to the idea.

When union recogition was conceded in 1987, a parallel set of representative arrangements were set in train. The logic of developing an *integrated* consultation and negotiation structure was that these processes would be complementary, as operated in BI Japan. Negotiations would be 'lubricated' by consultation and disclosure of information on business performance (MARCHINGTON and ARMSTRONG 1986 op cit).

Direct participation through Quality Circles was tried after several months of production and quickly abandoned due to 'lack of planning' and 'employee apathy'. A mandatory system of small group activities was resurrected in 1987 under a new competitive reward system, and in 1989 underwent further major modifications. The 'trial and error' technique formed part of the 'kaizen' approach shown in Figure 6.

In summary, comparisons between Japanese approaches to the development of high-involvement management in overseas contexts appear to manifest several 'universal' characteristics. Firstly, effective management-employee communications and information sharing are an important first stage strategy in 'symbolising' high-trust relationships in the workplace.

In both Japan and in Britain *formal* company structures
for consultation and negotiation are also quite
similar. Both emphasise the integration function and
a dislike of 'outside' interference. Unions are
conferred 'legitimacy' on condition that the Company's
success must come first. Communications are extended
to consultation and negotiation processes and
disclosure of information widened to embrace the
company's economic and financial position.
Consultation processes in operation both in Brother
Japan and BIUK emphasise, and reinforce management
prerogative, as summed up by the following statement
by the BI personnel manager:

"Basically the Joint Consultation Committee is
about providing information and facilitating two-
way communications. We need to keep our
employees' informed, whether in Japan or UK, about
what we are going to do in advance. Management's
responsibility is always to make decisions in the
interests of the Company as a whole, but we still
need to inform the union of this."

The re-establishment of Group Activities and
Improvement Teams, after the early failure of BIUK's
Quality Circle programme demonstrated the long-run
importance of small group activities as an integral
aspect of utilising labour power to attain
productivity increases and quality improvements under
the circumstances and demands of Japanese production
systems.

CHAPTER 7

EMPLOYEE-MANAGEMENT COMMUNICATIONS

British and Japanese Management Attitudes

It was suggested in earlier chapters that Japanese managers associated workers' propensities to participate with the 'everyday' styles of employee communications. One hypothesis, discussed in chapters 2 and 6, maintained that building effective communications should be seen as a prerequisite to 'higher' or more active forms of involvement (SAKUMA 1987 op cit). In this section the differences in approach and ideologies between British and Japanese are analysed from extensive fieldwork notes taken between 1985 and 1990.

As outlined in chapter 6, the Japanese staff made some effort to study the 'British way of thinking' by observations in BIUK and visited other Japanese manufacturers. They also discussed possible 'solutions' to the 'poor attitudes' of British workers' both amongst themselves and often informally, with colleagues from other Japanese companies in the Region. At first the Japanese respondents in Brother were keen to stress their optimism in 'opening up' what they saw on the shop floor as what was described earlier as a *latent employee propensity* to participate.

Though perhaps a rather unsophisticated conclusion, the evidence from this study shows that the overwhelming view of Japanese staff is that the main problem with British staff is that they, "... do not really care about the company they work for." This basic attitude underpins Japanese perceptions of a lack of motivation to learn and a reluctance to help team members out under conditions of line stress. Several Japanese respondents' bafflement by the poor attendance record and lateness problem was never fully understood. Most Japanese personnel had no preparation in Japan for such 'custom and practices' of British staff.

What stands out in terms of employee involvement is that the Japanese, whilst having learnt at first hand something of the lack of 'spontaneous involvement' from British workers, were less able to respond to UK management's negative reactions to their participation plans. Japanese managers increasingly referred, in interviews, to the *inability of local managers* to encapsulate the Japanese approach to human resources and the need to develop these as a long term strategy. What the Japanese stressed was the need for Britsh managers to take their own inititaives to improve employee communications and to set the 'right' climate for involvement. A Japanese senior manager expressed the clash of expectation from his practical experience:

> "We have been waiting for signs that our staff
> are interested. We are waiting for operators to
> say, 'How do you do this?' or 'How does that
> work?' Managers too. We are waiting for them
> to say, 'Here is my plan for x or y.' Instead we
> find a waiting attitude, passive if you like.
> Japanese people in comparison are always curious
> about things and how they work." (1987)

The British managers' perceptions of workers'
attitudes analysed from fieldwork notes, generally
suggested a *low propensity* for employee participation.
Responding to a question on the capability of the
operators, this perception was understood to be
related to the manager's recognition of the relatively
poor educational attainments of young operators,
reinforced by their 'instrumental' attitudes.

Production workers were generally viewed as 'rough
diamonds' with low expectations of factory work and
managers believed that many workers' will leave for,
"... more money or become pregnant". Most managers
and supervisors appeared to think that for the age and
the level of skill required the staff were well paid.
Several British managers suggested that participation
of operators, in any meaningful sense of 'contributing
to management', was an unattainable and undesirable
outcome. A production manager confided in 1987:

> "Any workers capable of getting involved in
> decisions would quickly be promoted anyway. The

Japanese will quickly learn that their plans
simply don't fit the workforce we have here."

From interviews conducted in 1986 when the Japanese
senior managers of BIUK were beginning to come to
terms with the differences in industrial culture, it
seemed clear that they were slowly becoming aware of
the practical challenges in attempting to transfer
some 'essential' aspects of BI systems of
communication and participation into the Company's UK
plant. Even so, in the early planning months there
was a belief that extensive localisation was a
realistic proposition within three years. An advisor
in 1987 said:

> "Our motto here in UK is, 'Let us grow roots in
> the UK and let us make a profit by joint effort.'
> Our view in the beginning was that the UK
> operation would quickly develop into a British
> managed Company. Our experience in the first 6
> months showed otherwise. The MD's concept of
> developing supervisors into junior managers, a
> form of internal promotion, looked less and less
> likely after we saw the limits to what they could
> do." (Advisor 1987)

By 1988 the same respondent was even more rather
sceptical:

> "The Japanese impression is that British workers
> are slow and lazy. We work on the basis that
> around 20% are keen and we want to develop these
> people as 'key workers'. We have made progress
> over the first 2 years but this has been rather
> slow. We must learn to be patient."

By 1989 labour turnover was having a major impact on the strategy to appraise workers skills and aptitudes so as to encourage and promote 'key workers'. A Japanese production manager suggested:

"Yes I believed that we could develop key workers. Our problem now is that many of these staff are leaving."

Another Japanese respondent, a Production Advisor expressed similar sentiments:

"I believe that operators are not so interested in learning about the business. Most British workers want information first on their holidays and then, secondly, they want to know when will they get another wage increase. Supervisors may have more interest but I do not know for certain."

What is noteworthy here is that these early negative impressions did not lead to inertia or resignation. The Japanese staff were not prepared to sit back and accept that such "poor working attitudes" were acceptable impediments to "developing our people". In other words the employee propensities for participation could be lifted if only a 'key' could be found to 'English ways of thinking'. Monetary incentives were considered not to be the answer to motivational problems since continuous improvements (kaizen) would always therefore, be subject to further negotiations. In contrast UK managers tended to

believe that workers cooperation would almost always be subject to monetary incentives.

What was often missed by critical Japanese evaluations of the UK situation was that in Japan a *different* set of 'carrots and sticks' are used by employers to generate high levels of employee participation. In particular, close links are made between participation and appraisals for promotion and bonus payments in Japanese industry. In Japan, team based work organisation (formally introduced in BIUK in 1986), affects individual workers' aspirations. This is related to a point made earlier in chapter 6, namely that Japanese managers have a responsibility to develop their subordinates to as high a level as possible. The early promise for improvements in communications using local managers also appeared to be evaporating within 18 months of start-up. Interviewed in January 1989, a Japanese director reflected on this opening period pointing out that Japanese staff had been under great pressure managing in the UK situation:

> "We have relied on British managers to communicate
> our wishes but the calibre of supervisors and
> managers is not as good as Japan. In Japan
> combined technical skills and man-management
> skills are much better. The job of a manager is
> to be friendly with workers and to help
> subordinates to develop ... It is expected ...
> British managers dismiss too quickly and don't try
> to understand the employees problems. I can tell
> you openly that it is my observation that British

managers handle workers like farm animals. Now I can understand more about British trade unions."

Several practical steps were taken to improve communications in the early years. Japanese staff began to pay more attention to the behaviour patterns of UK managers. 'Management by example' techniques were tried, by daily walks on the shopfloor and remembering names of staff by using a coding system. Frequently the Japanese bosses emphasised 'team spirit' and, in somewhat emotive language which was received with some amused scepticism, referred to the 'long journey being taken' by managers and workers together.

Criticisms of UK managers became a consistent thread in the fieldwork interviews. Language was only part of the problem. It was clear that the Japanese view was that UK managers and supervisors did not plan ahead, think of the consequences for other departments and did not help on the line under emergency conditions. One Japanese manager put it this way in 1988:

"I have seen the differences between operator class, supervisor class and manager class with my own eyes. In the workplace perhaps the gap between manager and worker is small - even here we can see the 'distance' in the canteen. Outside work the social gap, is less hidden because of where people live and how they take their leisure."

Then, almost two years later;

> "Communications are still not very good. Top-down
> communications is better but there is very little
> coming up. No change really since last time. In
> Europe you still believe that workers are workers
> and managers are managers. This means that there
> is a big wall between manager class and operator
> class."

What might be described as the 'emotive unitarism' of

Japanese managers emerged over and over again in

interviews. A production advisor in micro-wave oven

for instance suggested that Brother should be viewed

in the following way:

> "I regard the firm as a ship. We should try to
> work together for the same aim. English peole do
> not understand us when we say that Brother has a
> big heart and a big spirit. We can talk to each
> other openly in Japan and outside have a drink and
> play baseball. This is difficult to get in UK.
> There is a different attachment here."

The Japanese view contrasted with the opinion of many

UK managers. The following illustrates the idea that

reflected a 'hard headed' view that regular employee

communications is an almost *inevitable casualty* in

running a British factory:

> "I believe that the achievement of the company is
> significant given the growth and problems of
> labour turnover. We have met production targets
> and this is the over-riding object. Of necessity,
> communications with staff and developing the
> 'soft' side such as team working have been a
> casualty."

Not all British managers were 'hawkish' on

participation. Others showed a despondency and

frustration.   Indeed one UK production manager who had

spent ten months training in Japan, asked:

>"How do we get our staff to feel that they 'own' a
>share in the company culture. How do we get
>people to feel that they are really involved in
>the affairs of the business?"

Another Divisional manager suggested that the problem

of communications was one that had to be viewed in a

wider 'political' context:

>"I always tell people under me things when I feel
>that they have an interest in knowing. I regard
>myself as a 'people person' in my role as a
>manager. I admit that some British managers hoard
>information and don't pass on enough to
>supervisors. But you have to remember that the
>Japanese do the same in their dealing with us."

This opinion contrasts with another Japanese view in

1988, on what was interpreted earlier as the *latent*

propensity for improving employee motivation in the

plant:

>"I have estimated that only 10-20% of ordinary
>assemblers are really interested in receiving
>information on what is happening in the factory.
>But this level should increase quite quickly. Top
>management should communicate to Members that
>factory work is important. That means that they
>are important. To improve communications we
>should set a fixed time after work for discussing
>communications improvements. We look to the UK
>staff to guide us on this - but we still have to
>make more progress."

Turning attention now to British management viewsd on

their Japanese colleagues. Almost all respondents

expressed some level of critical dissatisfaction with their Japanese colleagues. In the early stages of the fieldwork several UK management respondents talked about feeling uneasy with the Japanese style of communications. These criticisms related not only to the frequency of meetings but also to the 'texture' of interactions in meetings themselves. Managers were not only responsible for reporting to Japanese but were also held *accountable* for their actions and decisions. Japanese staff had their own, quite separate, hierarchy and remuneration structure and were rarely, if ever, held to account in meetings for their decisions by UK top management.

British managers sent out to Japan for 'motivation training' were also sceptical about the effectiveness of Japanese management in UK plants – a view which appeared to be consistent throughout the research period. Methods seen at work in Japan and the employee commitment to the Company were part of the perception that the Japanese *'live to work, rather than the British who work to live'*.

Encouragment by Japanese advisors to establish team based production, involving some shopfloor autonomy and participation was an experience seen as a new and threatening variant on the British management's prerogative. The *difference* was that change would be

backed by Japanese authority and performance appraisal.

For many British managers there was increasing variance between the stated information-sharing, consensus philosophy espoused by the Company in its formative period, compared with the actuality of decision making processes. A group of five young newly-hired middle managers was particularly frustrated with lack of involvement in the decision-making process.

Their criticism was levelled at both the 'twin-track' communications and decision-making structure (referred to in chapter 2, as a characteristic feature of Japanese firms abroad), and at the lack of trust felt *by being excluded* from consultation with Japanese managers. Their daily experiences showed that Japanese junior managers with only a few weeks service in post, were better informed about operational and policy matters than managers with authority in 'name only'. What counted was being Japanese. This sense of frustration was forcibly expressed by the purchasing manager in 1988:

> "We are not managers in BIUK we are caretakers. The Japanese say we have to be patient but most of us have experience and skills from other posts and we resent the treatment we get as an affront to our calibre. We do have something to give and we should be consulted. Quite a few of us are looking around for alternative positions."

This was a feeling widespread in Brother. A production manager in the typewriter division explained:

> "Japanese manager's 'just watch us like fish in a tank' and ask us to 'explain and explain again.' We are excluded from Japanese meetings and have responsibility for only low key decisions."

The growing sense of estrangement by British managers from the decision making processes contributed to a managerial re-assessment of what appeared to be 'going wrong' with communications on the shopfloor as reported to the author in 1988. Exclusion from higher operational decisions which were dominated by Japanese staff, was seen as a weakness in transmitting information downward to the shopfloor. Though viewed as something of 'an excuse' by Japanese managers when the author raised this point, communications and possible involvement by subordinates in decisions appeared to British managers to have little value when actual authority was not in their hands.

On the Japanese side, the Managing Director confided that many of the strategic matters concerned with expansion plans, managerial reoganisation, and new suppliers had been kept from the British senior management team quite deliberately. This exclusion was justified by him, on the grounds that the UK managers were still "on trial" in terms of their technical competency to contribute in the area of

major policy changes and in terms of their (dubious) loyalty to the company. At this point it useful to quote from the Japanese Managing Director at length from interview notes taken in 1989:

> "Now we give 80% per cent of information to local managers. There will always be a part of the information on our plans that we can only give in very exceptional circumstances. This is mainly because British managers are free to leave BIUK ... and this is happening now. I know that UK managers want to have more explanations ..."

> "Unfortunately, we don't feel that British managers understand what we are trying to do and they don't know how to use the information to communicate with supervisors and so on down to the shopfloor. For us Japanese this type of procedure is not 'special' in the way that UK managers think. It is just part of the job of a manager ..."

> "We have been quite successful for the last four years but we have found that managers are not as good as we expected. Not getting the right calibre of management was a mistake and we are learning to find a solution now, perhaps by further recruitment."

Competencies of local managers was also thought to be linked to the different *systems* of training and career development in Japan and Western countries. The Japanese 'generalist' role cited by Trevor in the literature review has been seen as a contributing factor in Japanese economic advance (TREVOR et al 1986 op cit pp 1-12). A distinction between the UK specialist role compared with the generalist management role was also linked to different 'cultural

anchorages', alluded to by a Japanese production
engineer:

> "I have found that British managers are very
> individualistic. They stick to their opinions
> very strongly and are not open as much to
> listening to other opinions or giving way ... Its
> different in Japan we work better as a team. Of
> course they have skills but compared with Japan in
> a narrow area ... My observations suggest that
> there is a particular gap with the ordinary class
> of workers and UK managers should be taking a
> wider view of the whole operation. In Japan
> managers cooperate more with each other and
> communications is frequent even in other
> functional areas."

By 1990 this particular respondent felt that things
had improved only 'a little'. When asked for his
views on why this was so, he suggested that it was not
the job of Japanese managers to train British managers
on matters concerned with communications. The
Japanese role was only as advisors to UK managers,
who had to learn to stand on their own feet.

Before the two Japanese senior managers returned to
new assignments in Japan in 1990 they both gave their
retrospective views on the five years of operations.
The theme of *managerial* competency was foremost in
their evaluation of the potential for effective
employee communications as a 'route' towards greater
participation.

In summary, at the outset and throughout the period of
the research British managers were generally less
sanguine about the prospects of employee
participation, especially given the low age profile,
relatively poor educational attainment and general
shop-floor work orientations. In terms of work
orientations, the dominant British management view was
that most factory workers were 'instumental' and
displayed a *low participation propensity.*

The Japanese, in contrast, became increasing divided
themselves on the potential for attaining 'Japanese-
style' working practices in the company. The largest
group of Japanese respondents, though expressing
criticisms of basic skills of operators and their
'poor' attitude on discipline continued to find
positive signs and were hopeful that improvements of
a gradual kind would be achieved. Above all the
criticisms by Japanese staff became increasingly
focussed on the 'gap' or class distinction between
British management and 'ordinary' workers which had a
significant impact on the scope for improved
communications and information sharing. For UK
managers, frustated by the lack of consultation and
excluded from Japanese decision making processes these
criticisms were not reconciled easily, by what was
perceived as 'double standards' adopted by their
Japanese colleagues.

Employee Attitudes on General Communications

The first set of results from the 1987 pilot
questionnaire survey of employee attitudes, given in
Tables 7 and 7a, showed that the largest group of
employees (41%) perceived management-employee
communications overall as variable – being 'sometimes
good and sometimes bad'. Approximately a quarter of
informants believed communications to be 'generally
good', compared with about a third of workers who
believed communications to be 'poor' or 'very poor'.

By the period of the second survey in 1989, the
assessment by employees' on the general state of
management-employee communications had worsened quite
significantly. Data from the 1989 questionnaire
shows that in the intervening period of 20 months
almost half (48%) of all workers then viewed
communications as being 'poor' or 'very poor' compared
with approximately a third (34%) in 1987. Those
workers who indicated in the 1989 questionnaire that
communications were 'generally good' had also fallen
sharply to 12% from 23% in 1987.

In the 1990 survey of employee attitudes, conducted
twenty months after the 1989 survey, the general state
of communications was again tested. Workers'
responses in the 1990 survey followed a very similar
pattern to those given in the 1989 survey. Table 7a

TABLE 7: General View of Employee - Management Communications (all respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
EXCELLENT	4	2	2	0	1	0
GENERALLY GOOD	46	23	59	12	32	10
SOMETIMES GOOD, SOMETIMES BAD	84	41	187	40	140	45
GENERALLY POOR	45	22	126	27	83	27
VERY POOR	25	12	100	21	57	18
TOTALS	204	100	474	100	313	100

TABLE 7a: General View of Employee - Management Communications (Mean Scores) (By Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	204	3.20	474	3.55	313	3.52
SHOPFLOOR WORKERS	na	na	329	3.64	193	3.60
SUPERVISORS	na	na	52	3.36	47	3.51
WHITE COLLAR STAFF	na	na	39	3.17	42	3.11
OTHERS	na	na	50	3.42	26	3.50

Based on a scale of choice where:

1 = Excellent
2 = Generally Good
3 = Sometimes Good, Sometimes Bad
4 = Generally Poor
5 = Very Poor

identifies respective mean scores of 3.55 and 3.52 for those years compared with 3.20 in 1987.

An analysis of responses by job category, which is also outlined in Table 7a, shows no strong tendencies for significant differences amongst different job categories, though two points are perhaps worth noting here. Firstly, shopfloor workers appear to have a relatively poorer view of communications compared with white collar staff with means scores of 3.64 and 3.17 respectively.

Secondly, supervisors (who presumably because of their formal position in the management information hierarchy), might be expected to have a relatively higher assessment of the overall management communications process, in fact, appear to have been almost as critical of overall communications as their shopfloor co-workers, giving mean scores of 3.36-3.51 and 3.64-3.60 respectively for 1989 and 1990.

The first sets of longitudinal data thus seem to suggest that general management-employee communications appeared to be evaluated critically by a substantial number of employees. If the positive end of the five point scale is examined, further evidence for an indifferent managerial performance on employee communication is revealed. Table 7 shows that in evaluating responses across three consecutive

questionnaire surveys, only five employees from a
total sample of 979 people indicated that they
believed general communications in the firm were
'excellent'.

Though a large minority of employees were in the
intermediate category, indicating that communications
in the Company were 'sometimes good and sometimes
bad', nevertheless the perceived quality of
communications appeared to decline between 1987 and
1989. This was a time of accelerated expansion and
diversification of the Company, which probably had a
'knock-on' effect on communications. On the other
hand, expansion plans might have been expected to be
an issue over which management would have been eager
to communicate to the shopfloor to engender a positive
effect on employee morale. However, communications,
as viewed over time, were seen as increasingly
deficient by a growing proportion of the workforce.

Following is an illustrative selection of views given
in interviews by employee representatives on the
Company Council and shop stewards between 1987 and
1990 all revealing something of the perceived problems
in management-employee communications.

**NB: The year of the interview is given in most cases
to highlight changes in employee attitudes over time.
Comments are verbatum.**

"The British managers won't tell you anything
because they are afraid they will say something
the Japanese don't agree with and ... they will
get into trouble." (1987)

"Communications have become very, very poor. The
senior managers have lost touch with the
shopfloor. I said to one British senior manager
the other day, "Would you like me to show the way
to the shopfloor?" I meant it too. We have a
new Japanese MD now who has made no effort to get
down to the shopfloor. Most workers' don't know
him from Adam. The previous MD at least tried to
communciate with shopfloor - at least in the early
days." (1990).

As the questionnaire results showed, there were people

who had mixed opinions on communications and some who

felt that overall things had improved:

"Communications are getting better generally"
(1989)

One of the quotations suggests that management

generally were unsympathetic to the needs of shopfloor

workers operating under highly repetitive conditions.

This is also a point which has relevance for those

academics who have concluded that consultation is

often 'relegated' to 'tea and toilet' issues, viz:

"We have a few problems but you have to expect it
in a factory. The problem is that sometimes
management think things are petty, but for us
there are not. We are now unionised and we can
have a procedure to resolve our problems." (1990)

Downward Communications

Given that the personnel policy of BIUK emphasised an
'open management' style and regular management
meetings had been initiated by Japanese senior
managers to effect extensive communications, it was of
interest to measure employee attitudes on *downward
flows* of information from managers to subordinates.
Tables 8 and 8a provide information on how workers'
attitudes towards communication by showing how well
informed the staff felt they were about what was
happening in the factories. The picture which emerged
showed that overall, employees did not feel the
situation was satisfactory.

Table 8 shows that only 12% of staff felt that they
were either 'very well informed' or 'quite well
informed' in 1989 which contrasted with 21% in 1987.
In 1989, some 55% of employees indicated that they
were 'poorly informed' or 'very poorly informed' - an
increase from 36% in 1987. Approximately one third of
staff felt that they were 'sometimes well informed'
and 'sometimes not well informed' in both 1989 and
1990 questionnaire surveys.

A similar pattern of employees' responses emerged for
this issue as for the previous question on general
communications.   Once again, the longitudinal data
shows that most employees appeared to be unimpressed

TABLE 8: Employee Perceptions Concerning the Extent They are Personally Informed About What is Happening in the Factory (all Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
VERY WELL INFORMED	8	4	5	1	3	1
QUITE WELL INFORMED	34	17	51	11	49	15
SOMETIMES WELL INFORMED, SOMETIMES NOT	87	43	157	33	118	38
POORLY INFORMED	60	29	175	37	103	33
VERY POORLY INFORMED	15	7	87	18	40	13
TOTALS	204	100	475	100	313	100

TABLE 8a: Employee Perceptions Concerning the Extent They are Personally Informed About What is Happening in the Factory (Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	204	3.19	475	3.60	313	3.40
SHOPFLOOR WORKERS	na	na	329	3.72	193	3.60
SUPERVISORS	na	na	52	3.34	47	3.04
WHITE COLLAR STAFF	na	na	39	3.20	42	2.95
OTHERS	na	na	51	3.37	26	3.23

Based on a scale of choice where:

1 = Very Well Informed
2 = Quite Well Informed
3 = Sometimes Well Informed, Sometimes Not
4 = Poorly Informed
5 = Very Poorly Informed

with the quality of downward communications and that a
marked deterioration in employee satisfaction on this
issue occurred between the 1987 and 1989 surveys and
thereafter, a stabilisation of attitudes up to 1990
(mean scores 3.19, 3.60 and 3.40 in the three years
covered). No significant differences were identified
amongst job categories, though there was a small
difference between shopfloor workers and other
categories - the former again expressed a somewhat
lower level of satisfaction as to the extent to which
they are personally informed compared with whitecollar
staff (mean scores 3.72 compared with 3.20 in 1989 and
3.60 compared with 2.95 in 1990).

The perceived spasmodic and intermittent nature of
communications is summed up in the following
quotations from assembly workers:

> "We ordinary workers are kept in the dark too
> much. If the managers spoke to and quoted the
> ordinary worker Brother would be a better place to
> work for. Sometimes the management are like the
> secret police!" (1990)

> "Meetings with supervisors started but now they
> don't happen that often and we were not told why
> they happen sometimes and not on other days."
> (1987)

> "Communications have improved a lot since 1987 but
> mainly because I am now a Group Leader and I hear
> more about what is going on. Last year the
> Japanese were always watching you but now they
> give help and don't interfere too much." (1989)

"The biggest problem with communication is that the management don't tell you things until the last minute, especially when they want overtime. We only get occasional bits of information from our supervisors." (1987)

"Communications have improved but only only a little. We have the union now and people expect it will do something big for us. At least we should find out more." (1989)

During the fieldwork workers' views on the role of Japanese managers were generally more positive:

"They have a lot of respect because they know the job inside out." (1988)

"Half the time you don't hear about what's going on, or its muddle. My view is that communications get blocked. The Japanese advisors are usually more forthcoming than British supervisors." (1990)

Toward the end of the project however, there was a growing perception that the Japanese were 'slackening-off' their efforts to be effective communications on the shopfloor as illustrated below:

"The Japanese top managers used to always walk the line - now they are seen less and less. Except with VIP guests or visitors. People who work on the line notice more than you think. The big problem for the company is that the Japanese make all the decisions but they need local managers to be the mouthpiece for their plans." (1989)

Another interesting point relates to how communication is used to 'bring the market into the workplace' as revealed by this comment:

"Sales are right down and we are slimming down and people are worried. People are being moved around more now." (1990)

Additional data which supports an assertion that downward communications are not perceived by the majority of staff as being sustained on a regular basis, is given in Tables 9 and 9a. This data shows the extent to which staff view the management's explanations to them about what is going on at different *organisational levels*.

Factory wide explanations from management were viewed by significant numbers of employees to be somewhat infrequent over the four years of the project and no significant shifts in this overall assessment can be identified. Table 9 reveals that the evaluation of management explanation is heavily skewed towards 'rarely' and 'not at all' in all three surveys. In addition, Table 9 shows that factory-wide explanations on average only occur 'frequently' or 'always' in only 8% of total answers in 1989. This represents a decline from an already indifferent assessment from the pilot survey in 1987 of only 18% on factory wide explanations to employees and only 9% in 1990. Table 9a shows that the mean scores for all respondents ranged between a low point of 2.05 in 1989 from 2.59 in 1987. No significant differences appeared among the various job categories.

TABLE 9: Employee View of the Extent that Management Explain What is Going on in the Company (All Respondents) (Percentage Scores)

	NEVER			RARELY			SOMETIMES YES SOMETIMES NO			FREQUENTLY			ALWAYS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
MANAGEMENT EXPLAIN WHAT IS GOING ON IN MY SECTION	12	14	10	24	27	23	35	37	38	20	15	23	9	7	6
MANAGEMENT EXPLAIN WHAT IS GOING ON IN MY DIVISION	na	17	13	na	32	35	na	36	40	na	12	10	na	3	2
MANAGEMENT EXPLAIN WHAT IS GOING ON THROUGHOUT THE WHOLE FACTORY	13	33	28	36	37	37	33	22	26	15	7	8	3	1	1

Average Number of Responses:

1987 = 200
1989 = 459
1990 = 301

TABLE 9a: Employee View of the Extent that Management Explain What is Going on in the Company (Mean Scores) (by Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
MANAGEMENT EXPLAIN WHAT IS GOING ON IN MY SECTION	na	2.63	2.80	na	3.16	3.18	na	2.92	3.19	na	2.96	3.16	2.89	2.74	2.93
MANAGEMENT EXPLAIN WHAT IS GOING ON IN MY DIVISION	na	2.48	2.49	na	2.69	2.52	na	2.61	2.76	na	2.65	2.72	na	2.05	2.15
MANAGEMENT EXPLAIN WHAT IS GOING ON THROUGHOUT THE WHOLE FACTORY	na	2.00	2.07	na	2.14	2.11	na	2.30	2.42	na	2.57	2.30	2.59	2.05	2.15

Average number of responses:	1989	1990
Shopfloor workers	318	184
Supervisors	49	45
Whitecollar staff	39	42
Others	49	25

Based on a scale of choice where:

1 = never
2 = rarely
3 = sometimes yes, sometimes no
4 = frequently
5 = always

Interviews revealed a high level of resentment that 'ordinary' workers were not given information because they were not old enough to be highly respected by management viz:

> "I have no experience of other companies but the company is getting far too strict and they are losing people. The management make employees' of all ages feel like children and in most cases treat them like children. Since your last survey it's got worse and everyone is depressed." (1989)

A further point is similar to the one made by Japanese staff, namely that small improvements on the line can be achieved through the knowledge and cooperation of operators. An assembler in Factory 2 summed this up:

> "The Company in general does not report satisfactorily about matters that concern workers on the shopfloor ... who are the ones who really need to know what is going on." (1990)

The situation regarding management explanations to staff at Sectional and Divisional levels became only marginally better than the employee assessments of frequency of downward communications at the factory - wide level. A large number of respondents - some 41% in 1989 and 49% in 1990 - were of the opinion that they 'rarely' or 'never' receive information or briefings from management on what is going on at Divisional and Sectional levels.

The obervations of supervisors and Group Leaders also led the author to conclude that Team Briefings never

really became a systematic part of the communications

policy nor were the arrangements for Briefings

integrated into the wider structures for

participation.   Several supervisors who were

interviewed suggested that Briefings were indeed

perfunctory:

> "Brother is a Japanese firm and these kind of
> briefings are expected of us". (1988)

However, some sections were noted for their effective

morning pre-work Briefings and the author interviewed

two or three assistant supervisors who were especially

keen.   Overall though, most supervisors saw Briefings

as something to "get through" before the "real" work

began.   Only in 1989 did the company start a training

programme which included leadership skills.

Management Information Disclosure

An important element in the longitudinal approach in

the study was to test the extent to which over a

period trust relationships were developing.   The

integrity of management information was viewed by the

author as a vital prerequisite for such developments.

Employees were therefore asked in each questionnaire

survey about the extent to which they believed the

information which was given to them by management.

Table 10 shows that in 1987, 50% of all employees indicated that they frequently believed what management told them, falling back to 40% in 1989 and 35% in 1990. Once again the severest deterioration in employees' opinions occurred in the 1989 period when the plans for a major expansion of the company were only discussed in the Company Council when the decision was made public.

Table 10a shows that there was a worrying and significant trend away from trusting management information between 1987 and 1990. Mean figures in Table 10a for 'all respondents' changed from 2.59 in 1987, to 2.96 and 1989 and 3.00 in 1990, with shopfloor workers recording a figure of 3.13 in 1990. Comments volunteered by shopfloor workers give an illustration of attitudes as to the 'trust' problem:

> "The atmosphere is developing into restricting ideas of workers and channelling information into smaller number of managers who make autocratic decisions. I believe that there is too much in presentation skills and not enough on whether the information is factual or not." (1989)

> "At the moment the workers do not trust the management because they are so secretive. Because of this the workers won't cooperate in schemes aimed at improving the product. The Japanese management should trust the UK management and (in turn) they should trust the employees. We can only win as a team." (1990)

In summary the data strongly suggests that over the period of the investigation, the downward flow of

TABLE 10: Employee Trust That the Information They Receive from Management is True
(All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
ALWAYS	37	18	49	10	18	6
SOMETIMES	66	32	139	30	91	29
SOMETIMES YES, SOMETIMES NO	51	25	107	23	98	31
OCCASIONALLY	42	21	131	28	80	26
NEVER	8	4	44	9	24	8
TOTALS	204	100	470	100	311	100

TABLE 10a: Employee Trust That the Information They Receive from Management is True
(Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	204	2.59	470	2.96	311	3.00
SHOPFLOOR WORKERS	na	na	325	3.12	192	3.13
SUPERVISORS	na	na	51	2.52	47	2.74
WHITE COLLAR STAFF	na	na	39	2.53	42	2.61
OTHERS	na	na	51	2.64	25	2.96

Based on a scale of choice where:

1 = Always
2 = Sometimes
3 = Sometimes Yes, Sometimes No
4 = Occasionally
5 = Never

information from the Company management is perceived
by significant numbers of staff at various levels, as
intermittent at best, and, at worst, infrequent or
non-existent. Trust in the integrity of management
information also appears to have declined over the
fieldwork, particularly between the 1987 and 1989
period. Informants suggested that particular *cause
celebre*, the opening of Factory 2 for example, were
highly symbolic in underscoring the growing shopfloor
view that BIUK was 'just like any other British firm':

> "Things are slightly better now but there is still
> room for a big improvement. British management
> . still operate by only informing us 'when
> necessary' and hold back on information that when
> we get a chance to look back we can see later that
> it would have been as important for us to have
> been told." (1989)

> "The atmosphere has changed since 1987 when I
> joined – it's less like a family atmosphere now.
> In general I believe communication to be good. I
> find it better here than my previous job as a
> machinist ... But is it strict here and young
> people resent being pressed into overtime. A lot
> of people leave because of that. Youngsters want
> to get their tea down them and be out enjoying
> themselves. All in all I would say that there's
> not much difference in factory work anywhere."
> (1990)

Upward Communications

Tables 11 and 11a reveal the responses of employees
toward the extent to which they believe that

TABLE 11: Employee View on the Extent to Which Management Listen to Workers' Point of View Concerning Matters at Various Organisational Levels (All Respondents) (Percentage Scores)

	NEVER			RARELY			SOMETIMES YES SOMETIMES NO			FREQUENTLY			ALWAYS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
MANAGEMENT LISTEN TO THE EMPLOYEE POINT OF VIEW ON MATTERS CONCERNING MY SECTION	18	22	11	27	26	20	27	32	41	15	13	19	13	7	9
MANAGEMENT LISTEN TO THE EMPLOYEE POINT OF VIEW ON MATTERS CONCERNING MY DIVISION	na	24	16	na	30	37	na	30	32	na	12	11	na	4	4
MANAGEMENT LISTEN TO THE EMPLOYEE POINT OF VIEW ON ALL FACTORY MATTERS	22	34	25	30	30	38	30	25	27	9	10	8	9	1	2

Average Number of Responses:

1987 = 200
1989 = 451
1990 = 302

TABLE 11a: Employee View of the Extent to Which Management Listen to Workers' Point of View Concerning Matters at Various Organisational Levels (Mean Scores) (by Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
MANAGEMENT LISTEN TO THE EMPLOYEE POINT OF VIEW ON MATTERS CONCERNING MY SECTION	na	2.43	2.74	na	2.81	3.18	na	2.82	3.28	na	2.93	3.52	2.78	2.55	2.94
MANAGEMENT LISTEN TO THE EMPLOYEE POINT OF VIEW ON MATTERS CONCERNING MY DIVISION	na	2.31	2.41	na	2.52	2.40	na	2.69	2.78	na	2.72	2.72	na	2.56	2.57
MANAGEMENT LISTEN TO THE EMPLOYEE POINT OF VIEW ON ALL FACTORY MATTERS	na	2.08	2.15	na	2.20	2.15	na	2.36	2.73	na	2.42	2.28	2.52	2.15	2.25

Average number of responses:

	1989	1990
Shopfloor workers	311	184
Supervisors	48	44
Whitecollar staff	39	42
Others	49	25

Based on a scale of choice where:
1 = never
2 = rarely
3 = sometimes yes, sometimes no
4 = frequently
5 = always

management is prepared to listen to their point of view at various *organisational levels.*

Over time the data suggests that employees were highly critical of the receptiveness of management. On factory-wide matters for 1987, 52% indicated that they 'never' or 'rarely' believed that management listen to their point of view. This compares with 64% in 1989 and 63% in 1990.

Once again the 1989 survey produced the most critical appraisal from workers' where only 11% of all respondents indicated that they felt their point of view was listened to on factory matters either 'frequently' or 'always'. This rather poor assessment of management's role as 'receptors' for employee opinions was not confined to shopfloor workers (though this group felt particularly aggrieved), for supervisors also took a *generally negative* attitude.

Most employees believe that management were prepared to listen to their opinion more regularly concerning Sectional and Divisional levels compared with factory wide matters. The quantitative data shows a similar pattern to that discussed earlier for downward communication, namely that a deterioration in employee perception on this dimension of the research between 1987 and 1990.

The following qualitative data helps to explain why this situation was occurring and once more the lack of respect for factory workers emerges:

> "UK management have got no respect for the workers. How can they expect cooperation when they don't consult the workers' before taking work-related decisions?" (1989)

> "We should be asked about our feelings on matters more often, like on changes in non-working days. Management should consult us first on such things and tell us how we are performing (instead of just once a year)." (1990)

Most respondents felt even more strongly about the limited extent to which management are prepared to change their actions to take account of the employees' point of view. Table 12 reveals a uniformity of largely negative responses over the three surveys. In each year covered approximately two-thirds of respondents believed that management either 'never' or 'rarely' changed their actions as a consequence of the workers' point of view, a quarter in each year believed that management changed their decisions 'sometimes', whilst a very small percentage gave a positive reply. There were no significant differences for each of the job categories.

The Supervisor's Role in Communications

Information from the 1989 survey suggested that the 'lynch-pin' role of the supervisors was critical in

TABLE 12: Employee View on the Extent to Which Management are Prepared to Changed Their Actions to Take Account of the Workers' Point of View (All Respondents) (Percentage Scores)

	NEVER			RARELY			SOMETIMES YES SOMETIMES NO			FREQUENTLY			ALWAYS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
IN GENERAL DOES BROTHER MANAGEMENT APPEAR WILLING TO CHANGE THEIR ACTIONS TO ACCOUNT FOR THE EMPLOYEES' POINT OF VIEW	33	37	32	33	33	37	25	25	25	8	3	5	1	2	1

Number of Responses:

1987 = 198
1989 = 457
1990 = 302

TABLE 12a: Employee View of the Extent to Which Management are Prepared to Change Their Actions to Take Account of the Workers' Point of View (Mean Scores) (by Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
IN GENERAL DOES BROTHER MANAGEMENT APPEAR WILLING TO CHANGE THEIR ACTIONS TO ACCOUNT FOR THE EMPLOYEES' POINT OF VIEW	na	1.96	1.97	na	1.87	2.09	na	2.28	2.52	na	2.02	1.92	2.11	1.98	2.06

Average number of responses:

	1989	1990
Shopfloor workers	316	185
Supervisors	48	44
Whitecollar staff	38	42
Others	47	25

Based on a scale of choice where:

1 = never
2 = rarely
3 = sometimes yes, sometimes no
4 = frequently
5 = always

understanding the flows of upward and downward
information. It was also decided to test if the
employees' evaluation of communication - using the
general term of 'management' - were similar or
different in respect of the workplace relationship
with supervisors. An additional range of questions on
the supervisors inter-relationship with shopfloor
subordinates was, therefore, included in the 1990
survey. The data from which is given in Tables 13 and
13a.

This data show that the employees' perception of the
role of supervisors as conduits for two-way
information is particularly poor on what can be
described as downward information flows. On factory
wide matters, over one-third of shopfloor workers
believed that their supervisors 'never' informed them
and another third informed them only 'occassionally'.
Some 45% of shopfloor workers felt that their point of
view was put to management via their supervisor either
'never' or only 'occasionally'.

Once again it is helpful to examine the reasons for
this performance by drawing upon the qualitative data.
As can be seen lack of respect, which was seen as
diminishing over time, is important in the shop-floor
perceptions of their supervisors' role in
communications with 'higher' management, as follows:

TABLE 13: Employee Perceptions of their Supervisor's Role in Communications (Shopfloor Workers Only) (Percentage Scores)

	ALWAYS			OFTEN			NOT SURE			OCCASIONALLY			NEVER		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
LETS ME KNOW WHAT IS GOING ON IN OTHER AREAS OF THE FACTORY	na	na	8	na	na	15	na	na	5	na	na	28	na	na	44
SEES TO IT THAT MY POINT OF VIEW IS HEARD BY MANAGEMENT	na	na	9	na	na	14	na	na	30	na	na	21	na	na	26

Average Number of Responses:

1990 = 177

TABLE 13a: Employee Perceptions of Their Supervisor's Role in Communications (Shopfloor Workers Only)
(means scores)

	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
LETS ME KNOW WHAT IS GOING ON IN OTHER AREAS OF THE FACTORY	na	na	na	na	177	3.85
SEES TO IT THAT MY POINT OF VIEW IS HEARD BY MANAGEMENT	na	na	na	na	176	3.42

Based on a scale of choice where:

1 = Always
2 = Sometimes
3 = Sometimes Yes, Sometimes No
4 = Occasionally
5 = Never

"When I first started working for the firm it was a totally different factory. You had more respect for your supervisor because they respected you and made you want to help them." (1990)

"Communications level should be looked into in great detail on the production lines. Some supervisors on the line should go on communication skills courses, as the way they speak to operators is sometimes disgusting" (1990)

What is perhaps perplexing here, is that data shown later in Tables 16 and 34/34a, indicated that a very high proportion of respondents, whilst critical of their supervisors performance, nevertheless preferred to see a more important role for them in developing participation in the factory. Table 16, discussed below shows that supervisors daily briefings are ranked number one from a list of communications methods.

In addition, as Table 34 reveals, a large number of workers (79%) in the 1990 survey indicated that this type of indirect 'participation' was generally supported as a good idea. Therefore, to interpret this data, it is suggested that there was a shortfall in the *actual performance* of supervisors, compared with the positive role they were expected to play.

Employee Desire for Information

One possible explanation for the strong shop-floor view that management did not explain matters

frequently enough to meet their expectations is that there was a widespread lack of interest by the employees themselves in hearing about what was going on in the company. Here the author was particularly interested in testing for a link between desire for information as a precondition for employees' willingness or propensity to participate in decisions, and what was *actually* delivered.

As outlined earlier in the chapter interviews with middle managers and supervisors frequently revealed that British managers had a relatively low *expectation of employee propensity* to become more directly involved in the information network compared with Japanese staff interviewed. This was associated with the perceptions that employees were 'apathetic' and 'instrumental' in their work orientations.

Tables 14 and 14a reveals that the expressed level of desire for information was in fact, *rather high*. For example, almost two-thirds of respondents indicated that given a chance to have more information on future plans of the company was a 'very good idea'. Whilst this relatively high inclination to receive more information appeared to be strongest amongst shopfloor workers at the familiar 'task' level (as other researchers have found), it was also pronounced at sectional, divisional and factory levels. Desire for information at national and international levels

TABLE 14: Employee Desire for More Information, by Organisational Level (all Respondents)
(Percentage Scores)

	YES MUCH MORE			YES OFTEN			SOMETIMES			NOT OFTEN			NO NEVER		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
WHAT IS GOING ON IN YOUR SECTION	50	52	51	28	27	28	16	15	15	4	4	4	2	2	2
WHAT IS GOING ON IN YOUR DIVISION	na	43	44	na	33	34	na	20	16	na	3	4	-	1	2
WHAT IS GOING ON IN THE FACTORY	40	48	52	34	26	31	22	20	14	3	4	1	1	2	2
WHAT IS GOING ON IN BROTHER UK IN GENERAL?	32	33	41	28	21	20	26	29	28	11	11	6	3	6	5
WHAT IS GOING ON IN BROTHER WORLDWIDE?	26	29	31	22	13	18	28	31	28	14	14	15	10	13	8

Average Number of Responses:
1987 = 198
1989 = 443
1990 = 295

TABLE 14a: Employee Desire for More Information, by Organisational Level (Mean Scores) (By Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
WHAT IS GOING ON IN YOUR SECTION	na	1.72	1.64	na	2.13	2.04	na	1.65	1.83	na	1.71	1.95	1.78	1.75	1.77
WHAT IS GOING ON IN YOUR DIVISION	na	1.89	1.81	na	1.69	1.83	na	1.94	2.00	na	1.73	1.70	1.91	1.86	1.84
WHAT IS GOING ON IN THE FACTORY	na	1.83	1.71	na	1.88	1.76	na	2.05	1.73	na	1.80	1.46	1.90	1.85	1.71
WHAT IS GOING ON IN BROTHER UK IN GENERAL	na	2.47	2.36	na	1.87	1.68	na	2.36	2.00	na	2.18	1.60	2.25	2.37	2.14
WHAT IS GOING ON IN BROTHER WORLDWIDE?	na	2.81	2.78	na	2.30	2.00	na	2.47	2.39	na	2.60	1.80	2.59	2.70	2.51

Average number of responses:	1989	1990
Shopfloor workers	303	179
Supervisors	50	45
Whitecollar staff	38	40
Others	47	25

Based on a scale of choice where:

1 = much more
2 = often
3 = occasionally
4 = not often
5 = no, never

compared less positively, but nevertheless there was
some demand to be informed about developments.

A similar picture emerged following each of the three
questionnaire surveys. Over the period as a whole,
figures revealed that a high proportion of staff
wanted 'much more' information than was provided. The
data for all years suggests the conclusion that the
gap between 'management supply' and 'employee demand'
for information at various levels has remained
persistently wide.

Employee Desire for Different Types of Information

Although employee preferences for different types of
information also reflected the amount of information
management disclose at different times, the following
data is perhaps indicative of those items which staff
were particularly anxious to receive.

Presented in Table 15 is a breakdown of preferences
for for different types of information across a scale
from 'much more' information to 'not interested' in
receiving information. Demand for 'more information'
across a wide range of matters was once again,
surprisingly high and perhaps indicative that young
workers today are more inquisitive than had been
previously assumed. Given the previous data on

TABLE 15: Employee Desire for More Information, by Selected Topics (Mean Scores) (By Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
THE PRODUCTS WE MAKE	na	2.53	2.59	na	2.18	2.44	na	1.97	2.17	na	2.40	2.04	2.24	2.44	2.47
HOW WELL WE ARE DOING FINANCIALLY	na	1.82	1.71	na	1.46	1.34	na	1.73	1.43	na	1.64	1.26	1.87	1.76	1.59
WHAT IS HAPPENING IN INDUSTRIAL RELATIONS	na	2.74	2.17	na	2.00	1.82	na	2.21	1.63	na	2.17	2.00	2.26	2.56	2.04
NEW ORDER FOR BROTHER PRODUCTS	na	2.57	2.48	na	2.02	1.64	na	2.73	2.19	na	2.55	1.88	2.43	2.52	2.27
WHAT SPORTS AND SOCIAL EVENTS ARE HAPPENING	na	2.71	2.87	na	2.70	3.10	na	2.47	2.51	na	2.48	3.04	2.39	2.67	2.85
FUTURE PROSPECTS FOR BROTHER INDUSTRIES	na	1.52	1.65	na	1.24	1.21	na	1.48	1.60	na	1.31	1.32	1.47	1.47	1.55
HOW OTHER SECTIONS ARE PERFORMING	na	2.92	2.84	na	2.06	2.26	na	2.64	2.31	na	2.36	2.24	2.67	2.74	2.63
WHO OUR COMPETITORS ARE AND WHAT THEY ARE DOING	na	2.42	2.56	na	1.65	1.69	na	2.00	2.17	na	2.19	1.88	2.12	2.28	2.31
IMPROVING THE QUALITY OF BROTHER PRODUCTS	na	2.27	2.26	na	2.06	2.06	na	2.31	2.07	na	2.10	1.96	1.95	2.24	2.19
PAY LEVELS AND WORKING CONDITIONS	na	1.38	1.44	na	1.56	1.52	na	1.48	1.34	na	1.42	1.32	1.47	1.42	1.44
WHO OUR CUSTOMERS ARE AND WHAT THEY EXPECT OF US AND OUR PRODUCTS	na	2.43	2.41	na	1.84	2.08	na	2.21	2.17	na	2.14	1.84	2.14	2.32	2.29
INTRODUCTION OF NEW TECHNOLOGY & PRODUCTS	na	2.47	2.33	na	1.77	1.69	na	2.34	2.02	na	1.87	1.57	1.91	2.33	2.13
THE JAPANESE WAY OF MANAGING	na	3.07	3.10	na	2.36	2.82	na	2.65	2.63	na	2.57	2.76	2.56	2.90	2.96
REDUCING COSTS AND WASTAGE	na	2.69	2.74	na	1.91	2.23	na	2.44	2.36	na	2.04	2.40	2.35	2.51	2.59
HOW EMPLOYEES ARE APPRAISED AND PROMOTED	na	na	1.56	na	na1	2.02	na	na	1.58	na	na	1.40	na	na	1.64

Based on a scale of choice where:

1 = much more, 2 = little more, 3 = occasionally more, 4 = enough information already, 5 = not interested

attitudes towards the quantity and quality of information received, this data further reinforces the critical evaluation of management performance as progenitors of information.

The data in Table 15 enables some tentative evaluation of trends over the period of the investigation to be made. Though capable of further more sophisticated statistical analysis, the mean scores demonstrate a remarkably stable picture over time. The following items generated the strongest desire for much more, information by all groups of respondents:

- financial performance of the firm

- future prospects

- pay and working conditions

All in all, demand for 'more information' across a wide range of matters was, surprisingly perhaps, rather high. This finding provides new evidence on the attitudes of younger factory workers today, who appear to be more inquisitive than previous research, discussed in chapter 2, had suggested (HESPE and WALL 1976 op cit).

Preferred Channels of Communication

Respondents were asked to indicate in rank order, their preferred channel(s) of communication from a list of choices outlined in Table 16. The highest ranked choices were subsequently identified by score weighting the first, second and third choices aggregated between 1989 and 1990.

The outcome of these measures shows that the most preferred channels changed little over the years. Supervisors Daily Briefings, (as mentioned earlier and surprisingly perhaps) scored highest in both questionnaire surveys, followed by the company newsletter and the use of noticed boards. General meetings of all staff also scored highly. Company Council Meetings were the least favoured with Video briefings which also producing a low score. Improvement teams were significantly less popular as time went on and fell from fifth ranking to seventh in 1990.

In summary, the data presented here highlights a wide spread of issues where management-employee communications have been severely criticised by Brothers' employees. At the 'populist' level, this finding in itself may be somewhat unexpected, given the generally positive and sometimes 'pioneering'

TABLE 16: Employee Preferences for Different Methods of Communications (in Rank Order)

RESPONDENTS RANKING 1, 2, 3

FORM OF COMMUNICATIONS	1989			TOTALS & RANK	1990			TOTALS & RANK
	1	2	3		1	2	3	
NOTICE BOARDS	47	116	90	253 (3)	30	63	60	153 (3)
SUPERVISORS DAILY BRIEFINGS	187	94	47	328 (1)	147	61	34	242 (1)
COMPANY NEWSLETTER	97	97	61	255 (2)	33	66	41	140 (4)
VIDEO BRIEFINGS	21	72	37	130 (6)	18	36	16	70 (8)
COMPANY COUNCIL MEETINGS	13	70	33	116 (7)	8	42	32	82 (6)
IMPROVEMENT TEAMS	29	92	58	179 (5)	13	38	21	72 (7)
GENERAL MEETINGS OF ALL STAFF	61	112	75	248 (4)	63	70	46	179 (2)
INFORMATION FROM SHOP STEWARDS	na	na	na	na	14	47	31	92 (5)

plaudits Japanese firms in Britain have received for
their communications policies.

Certainly the empirical data contributes to the work
of other researchers (notably, White and Trevor and
Trevor op cit) in reaffirming anecdotal findings on a
'retrogression' of employee satisfaction with
communications and consultation processes, referred to
in the literature review.

A feature which particularly interested the author was
that interviews with both British and Japanese
overwhelmingly suggested that, between 1986 and 1989
communications had, at least in Factory 1, shown signs
of improvement. As revealed in the findings above,
the 'bottom-up' view showed a completely different
assessment of how management-communications were
developing in the company.

According to questionnaire results and interview data,
staff generally felt that they were being 'fed on a
rather meagre diet of information' which fell far
short of satisfying large numbers of employees in
their desire for regular information. It has been
shown that neither the management nor supervisory
staff found a mode of operation that satisfied the
expressed desire of employees to be informed and
consulted regularly over matters which affect them,
not only on their immediate work environment but also

on some wider issues. This chapter has also revealed differences in employee responses to Japanese management which qualitative data suggest were more favourably received by workers.

Finally the data also reinforces the findings of other scholars (notably Reitsperger 1985 p175), who have pointed to the critical role of supervisors. The present research has also found some strong indications that British supervision did not meet the needs for effective communications, largely as a consequence of a lack of *interpersonal skills*. The development of these skills assumes a desire or propensity to learn and utilise workers' suggestions in daily work relationships. This is more likely to start with improving communications and therefore meeting the needs of employees for more information as part of the process of generating a positive climate for group activities and employee involvement.

CHAPTER 8

THE COMPANY COUNCIL

The Formative Period

The BIUK Joint Consultative Committee (JCC), [its name
was changed in May 1988 to the Company Council] held
its inaugural meeting in January 1987. Some 12 months
prior to the JCC's establishment, discussion on the
possible introduction of a joint consultative forum
had been prompted by an appraisal visit by senior
executives from Japan in 1986. Mention was made of
the integrated joint consultative/bargaining
structures that BI has in Japan in chapter 6. During
this visit the question of how the British subsidiary
Company was going to develop its personnel management
structures was discussed with particular emphasis on
the anticipated employee requests for
'representation'.

By this stage in the Company's development, major
expansion plans were under consideration. However,
at this time, discussions were confined to Japanese
staff only, though the plans were 'common knowledge'
throughout the factory since feasibility studies on
sites and other preparations quickly became known.
BIUK's Japanese senior management advised Head Office
that at the point employment levels rose over 300

staff, the Company would accede to the recognition of a trade union. Interviews with British managers revealed a general 'anti-union' stance, the advice from them being against recognition.

BIUK were also anxious to promote further stages of employee communication and participation. It was known from personal visits by Japanese senior staff that other Japanese firms, such as Toshiba, had 'successfully' introduced Company Councils. As discussed in chapter 2, these Councils had 'combined' procedures for negotiation functions with consultation processes. Chapter 5 pointed out that Brother had, during its first two years of operation, a system of management's unilateral determination of pay, conditions and other personnel and industrial relations matters. Furthermore, given the relatively small size of the BIUK up until late 1987 it was deemed to be 'unnecessary' to formalise employee communications beyond Team Briefing and the normal channels of management communication.

The Japanese staff also began to reflect on their experiences with their British management colleagues. A growing disenchantment developed with the UK management, on whom much reliance was placed to 'get the message through' to the 'operator class'. From the author's interviews at that time, it was clearly being thought instead that they were communicating 'only

selectively'. As with other studies of Japanese
manufacturers cited in the Literature Review, inter-
departmental communciations were here also observed by
Japanese staff to be particularly deficient (TAKAMIYA
1981 op cit).

Japanese staff in BIUK were also concerned about what
they perceived to be a lack of understanding by local
managers of the reasons why Japanese firms were
'managed in the way they were'. In particular, as is
argued elsewhere, Japanese are acutely aware of their
poor foreign language proficiency and have problems in
explaining in detail the philosophy towards the human
resource implications of their manufacturing systems
(SHIMADA 1990 op cit p8). Advantages were seen by the
Managing Director in utilising consultation in a
'cultural' training mode. Certainly the planned
consultative committee was seen as providing a means
of intensifying factory-wide communications as a 'two-
way' learning process and was therefore viewed on the
Japanese side as a possible 'solution' to this
difficulty.

The Japanese viewpoint can be illustrated in the
following quote from the Aministration Manager who
played a considerable role in preliminary discussion
on the JCC in 1987. What emerged from this interview
was a lack of confidence in the role of UK managers in
direct communications with the shopfloor. It further

illustrates the role of communications as a means of
influencing workers' attitudes by bringing the
uncertainties of the 'market' into the workplace:

> "The main role of the JCC should be to assist in
> two-way communications especially in explaining
> the markets. We might have to reduce our
> workforce if the trading situation declines. If
> we give the employees the information directly
> there can be no misunderstanding". (1987)

By 1988 the same Japanese respondent was more direct
in criticising UK managers:

> "We have observed that UK managers can overlook
> giving information regularly to employees or
> ignore the workers problems on the floor. The JCC
> can screen these problems. Sometimes when the JCC
> started we were astonished to hear the kind of
> workers' problems because we expected such
> problems to be dealt with by UK managers or
> supervisors. We want to give a good work
> environment and we want to avoid explosions and
> the JCC can help." (1988)

By early 1987 interviews with employee representatives
emphasised that there were growing signs of discontent
also being felt about the disparity between BIUK's
'open' communications policy and daily practice. The
quantitative data presented in Chapter 7 has shown
that the shopfloor view on communications was indeed
critical during the period of around late 1986/early
1987 period.

These overall concerns on communications led into a
strong feeling that it was necessary to have a forum

for specific company wide matters which were not being dealt with in the sectional Team Briefings. In any case the latter briefings themselves were known to be 'patchy' and this became another source for Japanese concern regarding the slow development of effective communications systems by the British management.

At the time, the only British senior manager (who also had overall responsibility for personnel management) was consulted on the introduction of the JCC and was 'instructed' by the Managing Director to prepare a set of guidelines for the establishment of a consultative forum to be started within the company. In November 1986, supervisory staff and other managers were notified of the Company's plans to establish a Joint Consultative Committee from the beginning of 1987 and subsequently the appropriate notice was circulated directly to all staff via the supervisors. The JCC was therefore introduced into BIUK's operations without any prior joint discussion with employees.

A formal constitution was drawn up for the planned Joint Consultative Committee. This took the form of an internal memo compiled by the General Manager and submitted to the Managing Director for approval. The aims of the JCC were:

> "To discuss the general business situation,
> future plans and policies of the Company
> including, production sales, overtime, health and

safety and special events. The Committee will <u>not</u>
negotiate terms and conditions of employment of
personnel matters." (Minutes of first JCC Meeting
January 1987)

A second step, to organise constituencies and request
nominations from the various sections in the Company,
was arranged. There were to be 10 employee
representatives, a number increased later in 1988 to
16 following the opening of Factory 2. The JCC was to
include elected office staff but excluded supervisors.
A secretary was to be appointed by the chairman, whose
main role was to circulate an agenda and to take
minutes.

The duly elected representatives - somewhat nervous
about their newly-found resposibilities - sought
guidance from management on their role. Management's
response was to spell out the basic ideas of
consultation and to emphasise that the main aim of the
JCC was to discuss matters of common interest between
management and 'Members'. Their 'appointed' task was
was to act as a 'funnel' for questions raised in each
section which were then to be put to the management
'side' at JCC meetings. Questions to the JCC were to
be submitted in advance to the Secretary. Questions
were also to be translated into Japanese. The first
Secretary was the Managing Director's personal
assistant, also Japanese.

The employee 'side' were to elect a Chairman and Secretary from their number. The ratio of representation started at 1:30 staff. As the Company grew so constituencies became large at 1:96, and some at 1:120 by 1990. Employees became less willing to stand in later years, leaving some sections temporarily with no representation. The high labour turnover also affected the representation factor.

The first Chairman was the Japanese Managing Director with the UK General Manager being the deputy Chairman. In later years the Chairmanship was passed to a British senior manager and the Personnel Manager acted as Secretary. Minutes were posted on notice boards. The average age of the representatives on election was 18 years.

The first meeting of the JCC in January 1987, held in the factory canteen, dealt with the management's ideas of the JCC's main role and function. It was minuted that:

> "The purpose of the JCC is to enable the exchange of ideas. It is not a decision-making body. The JCC may make recommendations for action. It is the responsibility of Management, with the approval of the Managing Director to take executive action if necessary." (JCC minutes January 1987)

Twenty eight questions were submitted by Representatives during the inaugural meeting of the

JCC. The main concerns being canteen, health and safety, working conditions, overtime, sports and social matters.

A evaluation of JCC minutes, together with extensive interviews with representatives over four years clearly revealed that little *actual* consultation with employees' was ever attempted. Even on questions seen by Representatives as 'vital' shopfloor welfare issues were defined as 'management prerogative'. At the first meeting a question was raised on the possibility of introducing a Company pension scheme. The minutes record the management reply:

> "This is being investigated by the management and details cannot be discussed at present." (JCC Minutes Jan 1987)

Though immediate task matters and 'trivial' issues dominated the discussions in the first meetings. However, within six months rather more fundamental and potentially challenging issues of control were raised:

> "Can the production line be stopped when the daily production target is reached as a reward?
> [Answer] No. Extra production helps to even out total production output."
>
> "Can we change jobs to relieve boredom? [Answer] This is not done because of different training needed because different jobs are more or less difficult than others."
>
> "There is a rumour about a new model, when is the soonest we can get information about this?

[Answer] This is a commercial decision between
Ourselves and Japan". (Minutes JCC, July 1987)

"You told us that the company operates an open
plan office policy which is supposed to aid
communication and maintains the single status
philosophy. Why then don't the Japanese clock in
and out? [Answer] The Japanese are paid by their
own Japanese system." (Minutes JCC, December 1987)

Less than nine months after the start of the JCC

Representatives were expressing concern over its

'limited role'. Staff complained that it was "not

worthwhile" putting forward questions because there

were no guarantees that any decisions would be made.

Again, as important issues such as wages and personnel

matters could not be discussed there was a growing

'bone of contention'. Minutes also show that answers

to questions were being consistently delayed, a fact

which manifested itself in interviews in 1988 and

1989.

Later on in 1987, reservations on the role of the JCC

surfaced at meetings:

"What is the point of having a JCC when the answer
from management is 'No, this is Company Policy'.
[Answer] We would rather say 'No' than bluff or
string staff along. The JCC gives Members a
chance to air their views and feelings and
management can listen and take them into
consideration." (Minutes JCC, June 1987)

During this period interviews revealed.that there was

a growing feeling that the company should have a

union. Several representatives talked to the author

about the 'rights' to be a member of a union.
Complaints were raised on the issue of having wage
levels imposed on employees with no warning or
discussion.   The author was told in confidence that
an 'illicit' secret survey had been conducted on the
shopfloor, indicating that a significant majority
favoured union representation.   The Chairman of the
JCC explained that:

> "The management have said 'No' to a union ... but
> if the management keep saying 'No' in the JCC then
> we reckoned that this proves we need the union to
> do something about things.   I went round my line
> and 100% of my workmates wanted the union.
> Questions for the JCC are dropping off too.   At
> the first meetings we had 40 questions now it's
> down to 10-15." (1987)

Staff in the white collar administrative areas were
against having a union and preferred to experiment
with a wider negotiating role of the JCC.   The Office
Representative put it in the following words:

> "The union can't do anything of value for us that
> cannot be done in the JCC."   (1988)

Management's response was to convene a special meeting
of the JCC at the end of March 1987.   At this special
meeting the strength of feeling for union membership
was shown to be growing and a case for recognition was
put to the BIUK management.   The minutes record the
concern felt about the lack of trust in management

handling grievances collectively, and a *continuation* of the perceived 'us and them' attitudes:

> "The union would bring a legal standing to our requests. In any case there was no-one on their side who we can go to with our problems ... because whoever we confide in, say a supervisior, will automatically inform the management."
> (Minutes Special Meeting March 1987)

The split on recognition, cited earlier, between Japanese senior staff and British managers arose once more. Intensive discussions followed between the two sets of managers. Management's response to the JCC was that, given the age of the staff, employees did not really know what what a union was and what it could do. As the UK General Manager opined:

> "It is debatable whether the majority have the maturity or experience to set up a negotiating body. We will look into the whole question." (JCC Minutes 1987)   .

The issue of union recognition was therefore put off for subsequent *managerial* decision, despite the growing discontent on the shop-floor with management's unlaterial control of pay determination.

The author attended several meetings of the JCC/Company Council between 1987 and 1990 as an observer. In general, management gave short 15 minute oral presentations on company policies including; production, sales, staffing, overtime, special events and a general overview of the current state of

operations. These presentations also included a plea to representatives on the settling of current problems or seeking greater cooperation on such matters as quality control. Representatives were frequently urged to speak to their constituents on such 'problems'.

Questions from representatives were usually brief, but their skills improved after a course was organised after recognition of the by the EETPU in 1988. Often however, the representatives ended up all talking (and sometimes arguing) together. Most representatives and later the shop stewards confessed to an almost total lack of knowledge on employment law - an area where they felt particularly vunerable in dealing with the company management.

Integrating Consultation and Bargaining

Part of the single union recognition and procedural Agreement signed with EETPU contained a clause establishing a Company Council to replace the JCC. The Agreement stated that the Company Council would consist of elected representatives regardless of whether they were Union members or not (JCC minutes January 1988). Other changes in the rules governing the operation of the Company Council followed.

Company Council representatives were to serve for two years, rather than one, so as to achieve greater continuity. The Council originally planned to meet every month soon met only every second month. At each meeting, a senior manager would inform the Council representatives on current production, overtime plans and manning. On an annual basis, longer term plans were to be disclosed, covering sales, investment, manning, training and Group Activities. New initiatives were to be communicated on 'items of specific interest' to be defined arbitrarily by management alone. There was little, if any, encouragement to representatives to put forward suggested items for discussion.

Employees' terms and conditions of employment then also become part of the Council's remit. Terms and conditions were not, however to be discussed at every meeting but would be considered as a total package for each year's negotiations. Under the new arrangements, the Company Council meetings formally became the first stage in the collective grievance procedure. The Company Council was in effect charged with endeavouring to resolve the grievances itself, without resorting to the further stages of the grievance procedure.

Time was to be allowed for representatives to meet prior to the Council and prepare questions to be

raised at meetings. Any matters to be included on the
agenda were to be raised with management five working
days before the Council met. An important role for
representatives was that they were to develop
communication channels with constituent members so as
to report back and to explain the role of the Council
to Members. Minutes were to be prepared and posted
and were to contain details of the questions raised
and the answers received from management.

Though no training had been given by Brother for
participants on the earlier JCC, but it was introduced
for the newly formed Council by the EETPU, but *only*
for shop stewards. Over the first two years there was
little doubting the onerous task placed on the
'shoulders' of representatives. The following
quotation summed up this point well:

> "We were thrown in a the deep end with no guidance
> on the correct procedures on how to elect a
> chairman etc. Management told us what we should
> be doing. We were really like a school group!
> Even so we are not simple enough to accept a
> whitewash!" (1988)

After the Company Council was integrated into a
combined consultative-bargaining forum after union
recognition in 1987 confusions over the role of the
JCC became even greater.

The inexperience of the representatives, referred to
earlier, can perhaps be illustrated by the 1988 wage

round, the first following union recognition. The
senior shop steward had used the telephone as a direct
link with EETPU Regional Office after each session to
gather advice on what to do at the next stage.
Ironically after the very first session, the advice of
the Personnel Manager was sought on how to frame the
wage claim. Management, therefore, significantly
influenced not only the decisions on recognition
itself but also in the process of informally
training/advising shop stewards, who were trying to
recruit more actively so as to raise the level of
union membership from around 40% to a targetted 70%.

Problems of union membership density and
representation soon emerged under the new dual system.
In particular. the Council was divided between union
and non-union representatives which was a problem for
both management and shop stewards. Management could
not rely on a united group, able to reflect the views
of all workers in the firm. Representatives had to
cope with overlapping constituency boundaries between
the union channels and the Council's.

The clear separation of consultative and negotiative
issues proved difficult to achieve in practice. After
12 months of operation a representative summed up
that:

"The Company Council's role has changed from
purely a 'talking shop' to a kind of combination

> of discussions and negotiations. Negotiations
> should take place around August - but in practice
> terms and conditions crop up and are difficult to
> separate. So I suppose you can say they are
> really discussed at many meetings."

A shop steward expressed the following opinion after
two years' operation:

> "The Company Council has a problem because the
> constituencies for Council and the trade union are
> different. Non-union members did not have a vote
> in last pay round after it was recommended by the
> Council. Shop stewards do help non-union members
> but it is a problem." (1990)

Despite the youthful age and inexperience of BIUK's
representatives, indications of more a organised
response followed after shop steward training. The
turnover of the Council did not prevent a number of
six or so workers, who had service from 1987 and who
had gained experience in coping with BIUK management,
from remaining a constant element on the employees
side. Indeed, a growing self confidence led to
changes being made in proactive employee tactics.

First the pre-council meetings, held informally in a
local pub, were made 'official' in 1988. They
undoubtedly helped to clear lines of communications,
which were even more necessary since the new Company
Council had a mixture of both shop stewards and non-
union Council representatives. A representative
explained that:

>"Our pre-meetings screen out the more stupid
>questions and grievances - we can deal with some
>of them. But the most important question for most
>people is wages and this is not supposed to be
>discussed except at a special meeting. In that
>way the Council is a bit a of farce". 1989

This quotation also illustrates that pre-meetings also had unintended consequences on grievance handling processes, namely serving a vital function for management. Another shop steward suggested the potential advantages for management:

>"Management use the Company Council to save their
>time by putting the onus on us Rep's to sort out
>small problems first. In practice
>representatives are filters for grievances - like
>a part of personnel department if you like.
>Management expect Rep's to explain unpleasant
>things like non-working Fridays and pursuade the
>other workers' to accept things and be flexible."
>(1990)

Secondly, by 1989, there were some indications that *expectations* were rising about the scope for employee participation, e.g. in the area of information disclosure. During the downturn in output in 1989 and the consequential cut in the Christmas bonus, - incidently not negotiated or even discussed in the Company Council - representatives demanded to know when the figures on profit and loss accounts were to be made be made available for general inspection.

This question astounded the Japanese Managing Director who had maintained confidentiality on profitability matters to all, except, the top three British managers. Critical comments, some of them going back to 1987, continued to be made on management performance. Here especially, there were criticisms of the lack of detailed information given on plans and the slow pace achieved in processing grievances and problems,

Later in 1989 action was taken to get all Council representatives to become members of the union. In January 1989, the Council was made up of five non-union representatives, three shop stewards and two lay union members. By the end of 1990 all but one representative were union shop stewards or union members. This was achieved after heated discussion amongst the Council representatives themselves, with some advice from the local EETPU official, who maintained that a Council divided between union and non-union representatives would always be vunerable to managment's dominance.

For management also, the Company Council presented problems. An early one, well known in British industrial relations, lay in the restricted disclosure policy to UK middle managers who became increasingly aggrieved that Council members had access to information before them.

Supervisors also felt 'disenfranchised' as time went on. Indeed they not only expressed frustration with management's chain of communication ("last to know syndrome"), but also anger that representatives with access to top management information could contradict their decisions with a consequential loss of credibility.

Clearly, participation in the Company Council had opened up a range of unintended and unplanned outcomes. This led to a concerted effort to integrate management information systems so as to 'shore-up' the bi-pass problems. Even so, UK management attitudes on the Company Council remained largely hostile. A senior UK manager suggested that the main problem was in the style of management control over information:

> "The Company Council is simply not working. Most employees don't know who their Rep' is. In any case a Company Council is not going to be effective as a way of communicating. The shopfloor take little interest in the notice boards, for example. We should use our own management channels to cascade information down to the shopfloor. We are currently falling betwen two stools on this one." (1989)

Finally brief reference can also be made to the differences perceived in the role of Japanese managers. Observations at the JCC/Council revealed that the Japanese increasingly took a backseat in the meetings, a fact which was seen as inconsistent with

their overall control of affairs. A reflective

Council representative offered a similar insight into

the differences in viewpoint between the British and

Japanese management approach emphasising changes in

communications as part of the complex network of the

power relationships in the company.

> "We've discovered after 5 years that we have a big
> problem with the UK managers. The [Japanese] MD
> used to attend the JCC and we could tell him
> personally things that concerned us. Now we have
> to go through UK top managers and they keep things
> secret from Japanese managers. There is a lot
> more respect for Japanese managers than UK
> nowadays. The top UK managers have been
> 'sidelined' and don't command respect." (1990)

By 1990 some shopfloor workers were also noticing a

change in the management's approach, a point made by

an assembly line operator in the open ended section of

the questionnaire:

> "We used to get information from Reps' but now
> management appear to want to give us the facts
> first. That's OK for supervisors and Group
> Leaders but not for us operators - who are always
> the last to know." (Open ended Q response)

This was interpreted by the author as suggesting that

the British managers were, on some matters, despite

their individualistic styles referred to earlier,

acting in concert to re-establish control over their

own lines of communications - as a buffer against

criticisms voiced by representatives directly to Japanese top management at Council meetings.

Employee Responses and Questionnaire Results

As has been shown above, the introduction of the JCC evolved from a purely consultative body into the 'centre-piece' of a company-wide integrated communications/collective bargaining system. What the attitude questionnaire was designed to measure was the extent to which the Company Council had proved to be effectual thoughout the period in generating positive attitudes on the shop-floor and offices. To what extent could a formal consultative body excite the interest of a young semi-skilled workforce in a new Japanese-run factory? To what extent could a consultative body facilitate a gradual and sustained improvement in management-employee communications? What potential would the Company Council have in 'educating' the workforce on the need for organisational flexibility and employee cooperation with management to achieve these goals?

When the pilot questionnaire was administered in 1987 it was expected that awareness of the then JCC would not perhaps be widespread, since it had been in operation for only some four months. The pilot survey actually showed that 42% of all respondents were

either ignorant, or unsure, of the existence of the
JCC. Data presented in Table 17 shows that in 1990
awareness of the existence of the Company Council
peaked at two-thirds of all respondents, compared with
just less than half of the staff in 1989. White-
collar staff had a significantly higher level of
awareness amongst respondents and also, as might be
expected, supervisors. The data from all three
surveys therefore suggests that, large pockets of
ignorance and uncertainty concerning the existence of
Company Council have persisted.

Data from the questionnaires also reveals that the
substantial ignorance of the existence of the Company
Council itself is compounded by a widespread ignorance
concerning employee representation. Table 18 shows
that though there was some improvement in the
knowledge that there was representation through co-
workers on the JCC/Company Council between 1987 and
1990, nevertheless over half of respondents in the
1989 and 1990 surveys expressed ignorance or
uncertainty on this issue. Shopfloor workers were
particularly and consistently unaware of about the
existence of the Company Council and who their Council
representatives were.

How do employees evaluate the performance of their
Company Council Representatives as a communications
link with management? This was an additional issue

TABLE 17: Employee Awareness of the Existence of the Company Council (Percentage Scores)(By Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
YES	na	41	57	na	82	89	na	77	74	na	43	69	58	49	66
NO	na	42	23	na	4	4	na	15	5	na	45	12	25	36	16
UNSURE	na	17	20	na	14	7	na	8	21	na	12	19	17	15	18
TOTALS	na	100	100	na	100	100	na	100	100	na	100	100	na	100	100

Average Number of Responses:

1987 = 182
1989 = 466
1990 = 305

TABLE 18: Employee Awareness of Who Their Representative 1s on the Company Council
(Percentage Scores) (By Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
YES	na	42	45	na	na	na	na	69	62	na	27	42	41	45	49
NO	na	52	43	na	na	na	na	26	29	na	69	50	42	49	41
UNSURE	na	6	12	na	na	na	na	5	9	na	4	8	17	6	10
TOTALS	na	100	100	na	na	na	na	100	100	na	100	100	100	100	100

Average Number of Responses:

1987 = 182
1989 = 461
1990 = 304

included in the questionnaire after the 1987 pilot survey and the results are shown in Tables 19, 19a, 20 and 20a.

Table 19 and 19a shows that an overwhelming majority of employees receive only spasmodic news concerning Council meetings from their elected representatives. For both 1989 and 1990 years almost three-quarters of respondents indicated that they receive explanations from their Council representatives 'not very often' or 'not at all' on the matters discussed in the Company Council. 'Other' workers, mainly warehouse staff, were particularly aggrieved and registered a mean score of 4.72 in 1989, compared with a similarly poor assessment by shopfloor workers at 4.13 in 1989.

The 'lynch-pin' role of representatives was also tested for upward communications from the office and factory floor. Respondents were asked a question concerning the extent to which representatives normally ensure that the point of view of workers was heard by management. Tables 20 and 20a shows that a substantial number of employees indicated that they believed that their viewpoint was, at best, rarely solicited by representatives and was perceived by large numbers of workers not to be passed up to management 'at all'.

TABLE 19: Employee Assessment of the Extent That Company Council Representatives Normally Explain What is Discussed in the Council to Them (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
VERY OFTEN	na	na	27	6	10	3
QUITE OFTEN	na	na	32	7	28	9
SOMETIMES	na	na	42	10	51	17
NOT VERY OFTEN	na	na	91	21	67	23
NOT AT ALL	na	na	247	56	141	48
TOTALS	na	na	439	·100	297	100

TABLE 19a: Employee Assessment of the Extent That Company Council Representatives Normally Explain What is Discussed in the Council to Them (Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	387	4.13	297	4.01
SHOPFLOOR WORKERS	na	na	302	4.07	182	4.02
SUPERVISORS	na	na	na	na	na	na
WHITE COLLAR STAFF	na	na	37	3.81	40	3.77
OTHERS	na	na	44	4.72	25	4.28

Based on a scale of choice where:

1 = Very Often
2 = Quite Often
3 = Sometimes
4 = Not Very Often
5 = Not at All

TABLE 20: Employee Assessment of the Extent That Company Council Representatives Normally Ensure That the Point of View of Workers is Heard by Management (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
VERY OFTEN	na	na	32	8	16	6
QUITE OFTEN	na	na	56	14	46	16
SOMETIMES	na	na	70	17	78	27
NOT VERY OFTEN	na	na	79	19	58	20
NOT AT ALL	na	na	175	42	87	31
TOTALS	na	na	412	100	285	100

TABLE 20a: Employee Assessment of the Extent That Company Council Representatives Normally Ensure That the Point of View of Workers is Heard by Management (Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	412	3.75	285	3.54
SHOPFLOOR WORKERS	na	na	284	3.75	174	3.54
SUPERVISORS	na	na	47	3.61	44	3.52
WHITE COLLAR STAFF	na	na	35	3.02	37	3.16
OTHERS	na	na	42	4.38	26	4.03

Based on a scale of choice where:

1 = Very Often
2 = Quite Often
3 = Sometimes
4 = Not Very Often
5 = Not at All

The situation in 1989 was, once again, particularly poor when 61% indicated that they rarely, if ever, felt that representatives put their point pf view forward to management. Some improvement in the representation can be identified between 1989 and 1990 (mean scores 3.75 and 3.54). White collar staff appeared to view the role of their representative(s) as somewhat more proactive (mean 3.02 and 3.16 respectively).

In the first part of this chapter the reader was asked to note that interviews with JCC/Company Council representatives suggested a significant deterioration in workers' interest detected over the years. The following comment was typical and showed that the climate of interest in the JCC was changing for the worse even within the first year:

> "The only way we get info' now is through the Company Council. In my section there was a lot of interest when the JCC first started but now its cooled down and we don't get as many questions to put up. I have to go round and ask people individually ... Yes I do report back provided I get time. Only the odd one asks about what happened ... I think the JCC should discuss a wider range of topics. We should be able to discuss wages for example because we haven't got a union. We can do it ourselves without a union if we try." (1987)

> "As JCC Rep' the Company could help us do more for employees if only they would give us more time to talk with people. We are expected to do this in breaks and there is not enough time ... The problem is that if the management don't tell us

what they are planning, so how can we tell others
in our section?" (1987)

Later in the fieldwork, a JCC representative

complained to the author about the negative attitude

of management in making the Council *really* effective.

This quotation is also pertinent for the workers'

perceptions of Japanese compared with British

management authority:

"Still after these last years management are
reluctant to let people do their job as
representing people on the shopfloor. They let
you do it begrudgingly I'd say. I've got to look
after over 50 people and in some areas they don't
even have Rep's because they haven't got around to
an election. I don't think 30 minutes a month is
much to handle everyones problems in my area ...
Even the problems which are taken up are delayed
in getting answers ... We now know that its the
Japanese who call all the shots, but you see, they
are not directly involved with us any more. Its
like another tier of management on top of UK
managers." (1989)

As was argued earlier in chapter 7 most employees

manifested a high *propensity* to be *informed* by

management. In all three questionnaire surveys it was

important to obtain a picture of the level of interest

in matters discussed in the Company Council

independently from employees' assessments of the

performance of their representatives. This, it was

hoped, would provide further information on employee

participation propensities.

Tables 21 and 21a outline the results on whether the
staff's attitudes were positive or negative towards
the Council.   In the event data on the level of
interest shown by employees concerned with JCC/Company
Council matters similarly revealed positive attitudes.
Table 21 shows that in each year approximately a
quarter of respondents expressed 'a great deal' of
interest in what is discussed.   However, if the
percentage of those expressed 'quite a lot' of
interest is added to that figure, then the positive
attitudes become significantly more pronounced.

Table 21a reveals that some changes had taken place in
employee interest in consultation.   Though the 1989
results (mean 2.06) showed a marked downturn from the
1987 assessment, (mean 2.65), overall, and across all
job categories displayed, quite high levels of
interest have been sustained.

Table 22 also shows that whilst staff expressed
interest in the Council as individuals, there is
evidence that they believed their workmates were not
particularly interested.   Some 71% of Brothers staff
have indicated that they believed that their shopfloor
workmates were mostly indifferent or disinterested in
the affairs of the Company Council as reported:

> "I think the Company Council is good is some ways
> because the only information we get now is rumour
> which can be wrong. My workmates are negative
> about the Council cos' they only come for the

TABLE 21: Degree to Which Employees are Interested Personally in Matters Discussed in the Company Council (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
A GREAT DEAL	47	26	88	21	73	24
QUITE A LOT	90	51	150	35	128	42
NOT BOTHERED	29	16	73	17	56	19
VERY LITTLE	9	5	56	13	18	6
NOT AT ALL	4	2	61	14	27	9
TOTALS	179	100	428	100	302	100

TABLE 21a: Degree to Which Employees are Interested Personally in Matters Discussed in the Company Council (Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	179	2.06	428	2.65	302	2.33
SHOPFLOOR WORKERS	na	na	293	2.80	186	2.48
SUPERVISORS	na	na	50	2.26	46	2.13
WHITE COLLAR STAFF	na	na	37	2.35	40	1.82
OTHERS	na	na	45	2.28	25	2.36

Based on a scale of choice where:

1 = a Great Deal
2 = Quite a Lot
3 = Not Bothered
4 = a Little
5 = Not at All

TABLE 22: Employee Assessment of Degree of Interest by Workers' in Their Own Area Concerning the Company Council (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
A GREAT DEAL	17	9	19	5	12	4
QUITE A LOT	73	38	102	24	106	35
NOT BOTHERED	27	14	112	26	77	26
VERY LITTLE	67	35	115	27	66	22
NOT AT ALL	7	4	77	18	40	13
TOTALS	191	100	425	100	301	100

TABLE 22a: Employee Assessment of Degree of Interest by Workers' in Their Own Area Concerning the Company Council (Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	191	2.86	425	3.30	301	3.05
SHOPFLOOR WORKERS	na	na	291	3.33	184	3.11
SUPERVISORS	na	na	51	3.43	46	3.15
WHITE COLLAR STAFF	na	na	36	2.97	40	2.57
OTHERS	na	na	45	3.17	26	3.23

Based on a scale of choice where:

1 = a Great Deal
2 = Quite a Lot
3 = Not Bothered
4 = a Little
5 = None at All

money anyway.   We as Rep's have to make them more
interested.   Yes, the interest has gone down."
(1988)

This finding could be interpreted in several ways.
For example, since the data shows that Council
representatives rarely found time to feed back
proceedings of Council meetings to staff, this had
consequently led to apathy.   Another view is that the
Council was largely perceived as a 'talking shop' and
'did not get anything done'.   In the evaluation of the
author, management and supervisors themselves did not
in their communications, present the Company Council
actively, or as an interesting or worthwhile forum,
which is also a contributing explanation for these
results.

Overall how have respondents evaluated the operation
of the Company Council?   Tables 23 and 23a provides
quantitative evidence that between 1987 and 1990 only
a minority of respondents believed that the Council
was operating effectively overall.   Only a handful
from the sample in each of the three years under
review indicated that the Council was operating 'very
well' (1%, 3% and 2% respectively).   The percentage of
respondents who believed that the Council was
operating 'badly' rose in each of the survey years
(21%, 25% and 30% respectively).

TABLE 23: Employee Assessment of the Operation of the Company Council (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
VERY WELL	2	1	13	3	4	2
QUITE WELL	34	18	54	13	37	12
NOT SURE AT THIS TIME	115	60	250	59	170	56
QUITE BADLY	29	15	47	11	51	17
VERY BADLY	11	6	60	14	40	13
TOTALS	191	100	424	100	302	100

TABLE 23a: Employee Assessment of the Operation of the Company Council (Mean Scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	191	3.06	424	3.20	302	3.28
SHOPFLOOR WORKERS	na	na	290	2.31	184	3.28
SUPERVISORS	na	na	51	3.27	46	3.56
WHITE COLLAR STAFF	na	na	38	2.94	41	2.92
OTHERS	na	na	42	3.28	26	3.34

Based on a scale of choice where:

1 = Very Well
2 = Quite Well
3 = Not Sure at This Time
4 = Quite Badly
5 = Very Badly

There is, therefore some significant support, both in
the numbers cited in Tables 23 and 23a and also from
interviews that the Council was perceived as becoming
slightly less effective over the survey period, though
the levels of general employee interest in its work
remained high.

In interpreting the data it seems convincing that
employee dissatisfaction with communications revealed
in Tables 23 and 23a appears to be directed mainly
toward an implicit criticism of the *performance* of
representatives rather than the Council *per se*. Later
Tables 34 and 34a also confirm that most employees
believed that some form of elected Company Council to
be 'a good idea', at least in principle. In the
absence of anything more than sporadic briefings from
management however, the Council probably provided
staff with the only authoritative news on factory
affairs. Disillusionment was widespread amongst long
serving JCC/Council representatives:

> "The Company has had a negative response from the
> shopfloor to be honest with you. Well we didn't
> get a say in setting up the original JCC did we -
> it was a management idea ... Also it's awkward for
> operators to come and talk to us. We raise a
> question and management just say 'no' without any
> reasons except 'the firm cannot affort it' ... or
> not at this time. Or they will 'consider in
> future' you know. People lose faith that the firm
> is listening when things are delayed for so long.
> The Council doesn't make decisions - as far I can
> see it's just discussion. There was definitely
> more interest when it first started. (1990)

Interviews with other representatives showed that
their dual role as communicators (cooperative) and
potential bargainers (conflictual) also created
difficulties in maintaining shopfloor credibility.
Other representatives spoke of the lack of involvement
from ordinary employees as part of the explanation for
the criticisms of the way the Council has performed in
practice, especially in the inability of
representatives to be seen 'delivering' meaningful
concessions from management. These problems can,
perhaps, be best summed up by the following comments
from a long standing Council representative in Factory
1:

> "The management only conceded the small things
> when you look at it. I think this was to try to
> keep us happy. For example having a micro-wave
> oven in the canteen. When we ask for something
> big, like, management hesitate and usually it
> grinds to a halt ... How do you think this looks
> on the shopfloor? We are not allowed to discuss
> wages in the Council except for special sessions
> once a year." (1990)

Ambiguity and some confusion continued in the minds of
many representatives, and an impression was gained
that some of the problems were arising from duality of
both trade union representation and non-union
representation. This, the author suggests, was part
of the deliberate strategy in having the consultative
and negotiating functions of the Company Council
'blurred'. This situation was compounded by the fact
that less than 50% of staff were union members. Many

of the representatives learnt some hard industrial
relations lessons concerning for instance, the limited
power of the consultative process itself. This point
was clearly the case with this representative:

> "Originally we hope that we could discuss all
> topics to reach well, positive decisions. We
> thought that we would put forward a popular
> opinion on things and the get a compromise with
> management. Not on your nelly!" (1988)

> "At first we thought the JCC would be making
> decisions on matters that were important to the
> workforce as a whole. This was not so in practice
> - it was *only* consultation. On the other hand I
> dont think the union could do more." (1989)

Management too, appeared not to have been pro-active
in ensuring that the Company Council was given a high
profile. Japanese managers were generally clear
sighted in their aim to improve communications and to
generally raise the level of awareness about the
affairs of the Company. By extending disclosure of
information and combining consultation with
negotiation, Japanese managers hoped to create a
moderate climate of industrial relations. The results
showed that the overlap of these processes created
confusion not only for workers' representatives but
also for the Japanese, whose experience of joint
consultation was not based on their own 'unitary'
system in Japan but also in the different meanings
attached to interactive concepts used in consultation
and negotiation.

For most British managers and workers, neither the
communications policies or the consultation practices
dampened their 'view of the world of work' that
enshrined some level of inevitable conflict between
the 'two sides' of industry. Remembering the young
age of the workforce and the newness of the plant the
following comment is apposite:

> "The JCC was a flop because it did not focus on
> the serious issues that people need discussing
> like wages. BIUK [British] management did not
> take the Council seriously and it's difficult to
> get the Japanese to understand our problems
> because of going through the interpretor." (1989)

Further conflicts also arose because the flows of
information in the JCC/Council usually excluded
supervisory and middle management participation.
Informed supervisors depended on adequate involvement
of an informed management team committed to the
quality of company wide communications. Over the
period of investigation middle managers were equally
as critical of their senior managers role in
communications, both Japanese and British.

Finally, it was clear from interviews with
representatives that they felt they were under
considerable pressure, both in terms of their
responsibilities and also in the time made available
for passing on information and gathering shopfloor
opinions. After all, most representatives were junior
staff, most of whom had little, or no, previous

working experience and until union recognition, no
formal training in leadership skills or industrial
relations which would have made them better able to
promote or protect the interests of their workmates.

CHAPTER 9

SMALL GROUP ACTIVITIES

The Formative Period

As outlined in Chapter 6, BI (Japan) has extensive
experience in running small group activities over 30
or more years. Quality Circles are widely spread
throughout all the company's plants and offices in
Japan and a large majority of the Company's management
and employees are involved. In fact BI make a special
point in their personnel development policies, of
emphasising that *all* staff are expected to contribute
to small group activities. However, despite this
background experience, the introduction and subsequent
evolution of BIUK's small group activities programme
was implemented from 1985 onwards, with little, if
any, effective training from UK-based Japanese
managers.

In July 1985 BIUK started production in temporary
factory premises with 140 employees. Within three
months, a 'small group participation' scheme was
introduced with the long term aim of providing an
opportunity for direct employee involvement in
improving productivity and efficiency. Quality
Groups, as they became known, were an embryonic form

of what the Japanese managers defined as 'genuine' or 'full' 'Quality Circles'.

The introduction of small group activities was inspired largely by the Japanese Managing Director's conviction that one of the most important longer term goals of the Brother Company in the UK was what he described as the;

" ... development of our human capital".

The principal challenge for BIUK's combined Japanese and British management team, was to adapt group working into an industrial culture that was potentially hostile to practices 'imported' from Japan. As discussed in chapter 6, top Japanese executives maintained that the 'key' to achieving this long term objective was to to steer the company toward incremental steps of change and continuous improvement (kaizen), rather than 'giant leaps' in production systems or technological innovation.

It is important to reinforce the point that, whilst designed to gain advantages of low labour costs, the low level of production technology (automation), was also part of a flexibility strategy aimed at responding quickly to frequent changes in design specification and adjustments in supply of materials. A multi-item small-lot production system was seen as

requiring the 'unique' flexibility of people. An

essential element in refining production efficiency

was the knowledge of the operators themselves, which

would, in effect. require an 'education process' to

increase the *participation propensities* of staff.

This rationale, was defined by the Japanese

administration manager in the following terms:

> "On QC's you should remember that in Japan not all
> workers are capable of improving quality. We
> believe that UK employees have good ideas, but we
> **need to develop good leadership from UK managers**
> who can really motivate their employees. We
> cannot buy good attitudes and we do not expect
> high motivation from British employees, but we can
> try to improve it slowly." (1987) [emphasis
> added]

Given the differences in what the Japanese respondents

always referred to as, "different ways of thinking"

between Japanese and British workers, the technique

employed for successfully progressing the desired

'attitudinal change' was considered to be a two or

three stage process. Naturally this would start with

British senior managers and 'cascade' downwards to

lower management levels. Finally, local managers

would pass on their skills to supervisors and assembly

workers. The message would be to shift from a

'maintenance' function to a 'improvement function'.

This 'Incremental Shift Strategy' is illustrated in

Figure 6.

In progessing the development of small group activities, Japanese expected local managers to learn the Japanese approach, partly by direct observation and would readily seize opportunities to optimise labour utilisation by 'restructuring' the nature of the employment relationship towards a high involvement mode. Key British manager(s) would therefore function as a vital training link between the Japanese and the shopfloor and office staff. The Managing Director expressed this approach in the following words:

> "We have sent some local managers to Japan, to improve their motivation rather than learn Japanese manufacturing methods. One or two really excellent managers will be sent to Japan for a longer period and come back to be our intermediaries and to train other managers. We can succeed in this way - but it will take at least ten years." (1987)

However, in contrast to the rather equivocal attitudes of British managers, the Japanese placed a priority on the evolution of small group activities, especially in management meetings. In particular, Japanese managers wanted to highlight the importance of raising their understanding of UK staff attitudes and aspirations. Longer term localisation was also a recurrent theme:

> "We have told local managers of our long experience of QC's in Japan and this cannot be reproduced in the British situation without modifications. Eventually we hope that local managers through training will be able to take on the responsibility for the direction of a QC

programme." (Japanese Administration Manager
April 1987)

Interviews emphasised the gap between Japanese
participation theory and its application in the UK.
The fundamental difference in approach was
encapsulated in their respective views of the
participation potential and propensities of the
British workforce discussed in chapter 6 and 7. The
UK Quality Assurance Manager who had spent some weeks
training in Japan summed up his understanding of the
Japanese vision in BIUK:

"We knew that the MD wanted staff who could
improve things, the way we worked, our quality
etc. He didn't want workers who were just 'hands'
or 'clock numbers'. It wasn't like that in Japan
and he thought it shouldn't be like that in the
UK." (1988)

Interviews with supervisors in 1987 revealed that
those who had visited BI in Japan, returned with mixed
views on which, if any, aspects of Japanese management
were capable of being applied within the British
industrial culture.

In an almost identical way to the inauguration of the
JCC, the MD requested the British General Manager to
start the introduction of Quality Groups in the
Company in 1985. That manager's initial response was
to simply instruct supervisors to 'get on' with
arrangements following a briefing session. .

Supervisors organised groups of 8-10 workers to meet and tried to pursude them to think about ways of 'improving things' in their work area. Supervisors, however, having received only a short briefing themselves on Quality Circles - though a number of them had participated in a training visit to Japan and were at least familiar with the bare outline of the QC philosophy in Japan - were clearly unhappy about the lack of preparation.

This first initiative to establish small group activity had two aims, the first of which was to improve housekeeping/reduce wastage in work areas. It was initiated as the first step in developing a 'pride' for their work environment. This first aim was short term and openly promulgated to assembly operators via supervisors.

The second aim, was to improve efficiency by getting workers to participate in and cooperate with management under rapidly changing production conditions as outlined in chapter 6 above. This long term aim and was never explained in detail to supervisors or the shopfloor staff. As is argued later, the Japanese managers and advisors provided only a minimum of guidance on this project, much of which was in informal discussions with supervisors.

At first the 'Quality Groups' were not actually given a named title and were simply referred to as "Groups". After a few weeks it became clear that the supervisors were confused about what their leadership/training role was within their 'Group'. Supervisors were instructed to use 'downtime' for Group work, which given the periodic problems with supply of components, was fairly frequent in the first six months of operations.

The speed and manner of the introduction of 'Quality Group' activity also led to adverse reactions from assembly workers as well as their supervisors. As with the establishment of the JCC, at no stage were the shopfloor workers consulted about these participative intitiatives. Operators vociferously raised questions on such matters as why they were being asked to make suggestions to their supervisors. Given the use of 'downtime' for 'Groups', this had a fairly immediate negative effect and was frequently referred to as a 'management tool' to:

> "... keep the workers busy during downtime and prevent them chatting amongst themselves"
> (Assistant Supervisor 1987).

Many protested that the Groups were compulsory, especially as supervisors found it hard to explain away the contradiction as to why the philosophy of the QC in Japan was 'voluntary'. No financial or other

incentive was offered by the company - one UK
management respondent confided that the MD 'begrudged
payment' on the grounds that such activities should be
done voluntarily not only for the 'good of the firm'
but also for the 'good of the individual'.   One
possible interpretation on these negative reactions
suggested to the author was that Group activities were
being defined by shopfloor workers as a *collective
grievance'. All in all supervisors had to make what
they could of the experiment and in the absence of a
clear policy the scheme inevitably produced a 'patchy'
response and variable outputs.

In evaluating the formative stage of this programme,
it was clear from extensive interviews that although
some Quality Groups were reported to have made a 'real
effort' (e.g. put positive suggestions forward and
designed a number of outstanding posters using the
theme of a 'clean and tidy workstation'), many Groups
spent most of the time available talking of 'the night
before' or others guessing what the Groups were
supposed to doing.

The low age profile of employees and their lack of
experience of factory life and training had some
impact on the poor performance of the Groups.
Interviews with supervisors directly involved,
suggested that the experiment had "degenerated into
informal chats" within a matter of months. By the

time the Company moved into its new permanent factory premises in early 1986 the small group experiment had, indeed, been completely abandoned.

Given the precipitive way in which Quality Groups were formed, there was perhaps, naturally enough, a generally negative reaction from the shopfloor. This reaction surprised neither the local UK managers nor the supervisors, who were uncomfortable from the start with the vagueness of the scheme and the total absence of training in QC techniques.

In contrast, on the Japanese side many managers were taken by surprise by the 'lukewarm' response from the British staff. Regarding shopfloor workers, the Japanese expected employees to show at least some general signs of interest if not enthusiasm. Japanese managers also expected the supervisors, with the support of their managers, to have the predisposition and ability to build upon the interest shown by shop floor workers, however small. The implied criticism of Japanese staff and the apparent need to adopt a 'directive mode' of management can be illustrated as follows:

> "At this time we are not sure that our local managers and employees can think and act beyond their immediate job. We must start with the Japanese way because this is a Japanese company. So for the time being the main decisions will continue to be made by the Japanese managers."
> (Administration Manager 1988)

In summary the Japanese managers (even in those early months of late 1986), began to realise that their UK colleagues were not displaying the 'positive' attitudinal and behavioural characteristics thought necessary to begin the process of promoting higher levels of labour utilisation through direct participative methods.

The realisation was clearly emphasised in terms of the responses to the authors interview schedule from their British management and supervisory colleagues. Employee participation, seen as 'a good idea in principle' was, in practice, difficult to develop effectively with low skilled, female workers whose over-riding concern was the 'pay packet'. As stressed in chapters 2 and 6, British management were relatively satisfied that the company was achieving its productivity targets with a 'normal' instrumental workforce. The Japanese, in the eyes of many British managers and supervisors, had a 'fixation' for the need for small group participation which therefore, seemed remote and largely superfluous.

British managers were also *learning to accommodate* and even plan for these differences in approach and expectations between themselves and their Japanese colleagues. In deference to the Japanese management the local management were prepared to 'go along' with the Japanese on participation and were content to

'ride out' the initial enthusiam from the Japanese who it was clearly expected, would 'come to understand the British industrial culture - in time'.

The Japanese were also trying to come to terms with the differences in management styles. They reported to the author that there was increasing speculation at their own exclusive meetings, whether or not, the UK managers would ever come to appreciate the Brother (Japanese) way of management. Quality Groups and team working practices therefore, became the first concrete 'learning' instances in BIUK *where the* Japanese were becoming more and more aware that their British management and supervisory colleagues lacked many of the technical *and* perceived basic human relations skills to enable them to be effective in the maximisation of 'human capital'. This realisation was to influence their inter-relationships and company decision making processes for the next five years.

'Group Activities' - A Secondary Stage

> "As a Company we believe that people like to be
> involved in the decision making process and that
> the people best placed to improve an operation, a
> function or service are those closest to it. This
> inevitably means all of us." (1988 Launch leaflet
> - Company Wide Quality Improvement Programme,
> C.W.Q.I.)

In the event, the abandonment of the first experimental small group activities project proved to

be only a temporary suspension of BIUK's long term
goals in establishing a system of Company-Wide Quality
Improvement. In January 1987 some 15 months after the
introduction of the first plan, a second scheme was
introduced known as 'Group Activities'. The new (GA)
scheme was to operate on the basis of competition
between Groups and prizes were to be awarded for
winning teams. Like the first experiment the new
Group Activities scheme was to be mandatory. A budget
was created for training group leaders and
facilitators.

Supervisors and group leaders were given 10 hours
training with the help of the mobile training services
of the Manpower Services Commission. The training,
included sessions on communications and interactive
skills, statistical techniques, defining problems,
meetings procedures etc. Later stages of training
examined improvement cycles, quality measures,
analysis of data, brainstorming, cause and effect
analysis, Pareto diagrams and other elements of
conventional Quality Circle programmes (SASAKI and
HUTCHINS 1984 op cit). Later on again, in 1987 the
Company hired a Training Officer to meet the rising
need for training amongst its staff.

An additional section was created to deal specifically
with the new Company Wide Quality Improvement
initiative, linked with the QA department. Later in

1989 a planning department was introduced to coordinate these activities (See Figure 4). A 'Quality Council' with directors, senior managers and Quality managers received reports from a Steering Group - made up of Departmental managers - which in turn set targets for three Supervisors Groups which oversaw the GA's.

Supervisors arranged meetings in their respective sections to improve housekeeping, attendance and efficiency and quality matters at the sectional level. Workers were asked to invent their own name for their GA's with the objective of engendering 'ownership' and team spirit. Administrative office areas were also included for the first time. Quality improvement was heralded in the JCC as a responsibility for 'everyone' in the company.

The format of using 'downtime' for Quality Groups was used once again but was planned 'down time' of one hour per month. Prizes were offered from gift vouchers of £3 - £10 for individuals in the winning Groups. Special appraisal forms were used - in addition to the annual performance reviews for all staff - and these provided feedback on worker abilities, relationships with other group members and attitudes . The author's research in Japan had found that a similar system of using small group activities for workers' appraisals is a vital aspect of the

'personnel function on the line.' Quality Circles
therefore, serves a particularly useful part of close
employee appraisal in routine assembly work, where
employee aptitudes are not easily observed (BROAD 1987
op cit).

However, by the middle of 1987, the Group Activities
programme was, like its predecessor, running into
difficulties. BIUK's Japanese management was anxious
to report to Head Office in Japan that a British
version of Quality Circle was being introduced.
Concerns were expressed, privately to the author, that
CWQI was not making "sufficient progress." The
British manager responsible for the new scheme, saw
that although the Japanese were vocal in their support
for GA's, it was the British managers who were not in
the main, demonstrating active support, for example in
encouraging supervisors or by picking up reports and
workers' suggestions for special notice or
implementation. Interviews with British middle
managers and supervisors at this time revealed a
continuing disenchantment on their part as well.
Many criticised the Japanese who were generally seen
as passive. The Factory 1 Production Manager
explained:

> "The Japanese only criticise, just watching to see
> if we could do it. We are like fish in goldfish
> bowl." (1988)

In addition UK managers continued to express criticism that the Japanese were being naive about the prospects of more than a small core of 'keen' staff being able to participate effectively and enthusiastically in Group Activities. Japanese views' suggested that the problem was rather in 'attitude' rather than 'skill'.

In practice the author's research found it became quite a 'sport' to out-manoeuvre the demands placed on employees who became expert in making reports which looked good on paper but which had not been developed using required QC techniques such as PDCA (Plan, Do, Check, Action - JUSE 1980 op cit).

Fictitious problems were created and 'fiddles' introduced, manipulated to give the appearance of effort. Management 'spot inspections' for housekeeping were signalled on the shopfloor 'jungle telegraph'. In reality the author suspected that the Japanese were almost entirely ignorant of this type of 'restrictive practice'.

An further important point uncovered in interviews was the British supervisors were placed in an invidious position of simultaneously 'policing' employee behaviour and attempting a teamworking and high-trust *modus operandi*. Team Leaders were also put under considerable stress since in the face of mounting apathy, they were part of the cooperative, 'key

workforce' who were expected to complete the onerous task of raising workers' enthusiasm, motivation and then in preparing reports.

The competitive element was a stimulus to some groups but also became a demotivating factor for those who had 'failed'. The prizes, of course, regularly went to the successful Groups and as shown later, the quantitative data also shows a sizeable number of staff, presumably in the unsuccessful Groups who complained about having to participate at all.

'Improvement Teams' - A Third Stage

In 1989 the establishment of a new programme of small group activities was announced under a new name, Improvement Teams. A new senior management position was created to inject further impetus into the CWQI programme. The new scheme set out to abolish the competitive element, which was increasingly being identified as having become counter-productive on employee morale. This especially related to those whose effort was high but with a low achievement mark as measured in terms of winning prizes. Competition had also been found to emphasise differences in scope for achievement in different sections.

These findings also provided an interesting dichotomy between the anticipated 'incentive' thought to be

required for British workers.   In Japan, as
illustrated in the Literature Review, the first stages
of Quality Circle programmes invariably aimed to
structure attitudes rather than produce any tangible
efficiency or productivity outputs.

The change of name to Improvement Teams was therefore,
to more closely reflect the aims of small group
activity and to place more emphasis on the 'team'
aspects of their operation.   A further impetus for
change was the dual structure for information and
reporting which was developed for the Group Activities
scheme.   The largest single problem in this respect
was that many of the middle managers and long serving
supervisors were excluded from the former arrangement
and the information networks were incompatible.   It
was decided to jettison the separate CWQI structure
and move back to a single structure based on the lines
of management responsibility contained in the
organisational structure (see Figure 4).

The aim of Improvement Teams was to cease all
financial incentives and the competitive league table
of Group Activities.   Instead the competitive element
was to be modified by offering a prize of a trip to
Japan for three members of a winning IT.   Others
prizes included visits to other firms with successful
TQM programmes.

By July 1990 the Improvement Team scheme was, like its

two predecessors, running into major problems. An

indication of this was the Improvement Team Leader

Survey, a confidential internal document based on the

systematic feedback from Group Leaders organised by

the planning department. The covering Memo sent to

managers with the Report spoke volumes when it noted

that:

> "Every Group Leader wanted to be heard and in some
> cases desperately. Many were extremely frustrated
> and doubted whether management would take notice
> of their views." (Improvement Team Leader Survey,
> Internal Report, September 1990.)

Employee Attitudes Toward Small Group Activities

So far this Chapter has described and analysed some of

the main features of the dynamic evolution of BIUK's

small group activities programme. The qualitative

evidence has suggested that the introduction of three

modified schemes - Quality Groups, Group Activities

and Improvement Teams - was inspired by Japanese

senior staff and then operationalised by local

management and supervisors. It was shown earlier that

the UK management team lacked both the necessary

practical expertise and commitment in principle to the

programmes. Shopfloor and office workers were also

shown to have resented the mandatory nature of the

schemes and in some cases resisted their operation in

several ways. In this section the 'bottom-up' view of employee responses derived from the attitude questionnaires are analysed.

Tables 24 and 24a shows that attendance at Improvenemt Team meetings was high with 90% of staff attending all or most meetings. Given that the scheme was mandatory this was not at all surprising. What is more interesting is an evaluation of the oral statements made by staff on the compulsory nature the small group activities. Here it was found that both a strong employee antagonism with the 'enforced' nature of the scheme coupled with resignation that participation is a *fait accompli*:

> "At first, (in 1986) we were just asked, can you come to the 'Groups'. Now people are resigned to the fact that they have to do GA." (Group Leader 1989)

> "Neither the workers not the Union was directly consulted about setting up GA and most people say its a waste of time. There is a lot of pressure on Group Leaders to come up with something new to put in monthly report ... There is no chance of getting out of it. For the GL it's more work and often we have to do overtime to put in a report." (1989)

> "We know that some groups just invent a problem to solve and other just end of talking about what they are going to have for their tea that night. There are differences and some sections are good ... It's also unfair because some areas can stop to discuss projects like warehouse, but if your on the line you cannot. Because its really compulsory workers don't respond to being treated in a heavy handed way." (1990)

TABLE 24: Employee Recollection of Frequency of Own Attendance at Improvement Team Meetings (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
I ATTEND ALL MEETINGS	na	na	300	69	213	71
I ATTEND MOST MEETINGS	na	na	68	16	56	19
I ATTEND SOME MEETINGS	na	na	23	5	12	4
I ATTEND FEW MEETINGS	na	na	11	3	3	1
I NEVER ATTEND MEETINGS	na	na	32	7	16	5
TOTALS	na	na	434	100	300	100

TABLE 24a: Employee Recollection of Frequency of Own Attendance at Improvement Team Meetings (Mean Scores)
(by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	434	1.63	300	1.51
SHOPFLOOR WORKERS	na	na	309	1.66	184	1.48
SUPERVISORS	na	na	47	1.66	44	1.65
WHITE COLLAR STAFF	na	na	35	1.20	41	1.31
OTHERS	na	na	40	1.72	26	1.65

Based on a scale of choice where:

1 = Attend All Meetings
2 = Attend Most Meetings
3 = Attend Some Meetings
4 = Few Meetings
5 = Never Attend Meetings

In chapter 7 it was shown that there was a significant
portion of the respondents who were unsure, or,
ignorant about the exitence of the Company Council.
As far as employee' awareness of their current small
group activities project was concerned, Table 25 shows
that despite a 'concerted effort' by management to
promote them, knowledge of project names increased
slightly between the 1989 and 1990 surveys.

By 1990 some ten per cent more shopfloor workers were
aware of the projects compared with the 1989 position.
Despite this slight improvement, 30% of all
respondents were, nevertheless, unable to recall the
name of their project in 1990. To a large extent this
could be explained by the considerable turnover of
staff at the time of the surveys — a point referred
to earlier on the overall effectiveness of small group
activities in the company.

Previous research has suggested that employees in
'traditional' areas of manufacturing resist Quality
Circle participation because they believe that they
are induced into 'doing management's job for them'.
(DALE 1984 op cit; DALE and LEES 1987 op cit). In
this project employees were asked about what they
thought was the *main purpose* of Improvement Teams.

As shown in Table 26, the overwhelming proportion of
all respondents (55% in 1989 and 66% in 1990) believed

TABLE 25: Employee Recollection of Name of Current Improvement Team Project (Percentage Scores) (by Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
YES	na	53	62	na	92	89	na	85	86	na	59	74	na	60	70
NO	na	34	26	na	4	11	na	6	14	na	29	17	na	28	21
UNSURE	na	13	12	na	4	0	na	9	0	na	12	9	na	12	9
TOTALS	na	100	100	na	100	100	na	100	100	na	100	100	na	100	100

Number of Responses:

	1989	1990
Shopfloor workers	310	187
Supervisors	49	44
Whitecollar staff	34	42
Others	41	23

TABLE 26: Employee Assessment of the Main Purpose of Improvement Teams (Percentage Scores) (by Job Category)

	SHOPFLOOR WORKERS			SUPERVISORS			WHITECOLLAR STAFF			OTHERS			ALL RESPONDENTS		
	87	89	90	87	89	90	87	89	90	87	89	90	87	89	90
TO KEEP EVERYONE BUSY	na	6	8	na	4	12	na	6	2	na	2	9	na	6	8
TO ENABLE STAFF TO DISCUSS ISSUES TOGETHER	na	14	8	na	26	21	na	12	5	na	10	9	na	14	10
TO MAKE IMPROVEMENTS IN THE WORK AREA	na	52	62	na	57	63	na	64	85	na	64	73	na	55	66
TO GET GROUPS TO COMPETE WITH EACH OTHER	na	2	1	na	0	0	na	0	0	na	0	0	na	2	0
TO GET WORKERS TO PASS IDEAS TO MANAGEMENT	na	26	21	na	13	4	na	18	8	na	24	9	na	23	16
TOTALS	na	100	100	na	100	100	na	100	100	na	100	100	na	100	100

Number of Responses:
	1989	1990
Shopfloor workers	300	172
Supervisors	49	44
Whitecollar staff	34	41
Others	42	22

that the primary purpose of small group activities was
to make improvements in the work area. On the other
hand, a significant minority of respondents thought
that the main purpose was to pass on ideas to
management (23% in 1989 and 16% in 1990).
Approximately 10% thought that the Improvement Teams
practice was designed to enable staff to meet and
discuss issues. A very small proportion of the
employees believed that the main aim was either to
have a competition based on group meetings or to keep
workers busy.

The author's interpretation in 1987 was that this use
of 'down-time' had led to quite a strong reluctance on
the part of workers to believe that Quality Groups had
any other ojective than to keep workers busy. This
project has shown that continuous feedback on
performance did in practice lead to policy changes, in
this instance, by incorporating Group Activities into
normal working hours.

Motivation to contribute willingly and ultimately
enthusiatically is the central part of literature on
management strategies to consolidate Quality Circles
in Japan (JUSE 1980 op cit). Despite the antagonism
created by the 'imposition' of Group Activities in
BIUK, Tables 27 and 27a reveal that a very substantial
proportion of staff believed that they personally made
a positive contribution. (mean scores 2.52 and 2.53

TABLE 27: Employee Self Perception of Own Contribution to Improvement Team
(All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
I CONTRIBUTE A LOT TO THE PROJECTS	na	na	114	26	81	27
I CONTRIBUTE QUITE A LOT	na	na	112	26	88	30
I MAKE SOME CONTRIBUTION	na	na	127	30	81	27
VERY LITTLE CONTRIBUTION	na	na	37	9	21	7
I MAKE NO CONTRIBUTION	na	na	39	9	27	9
TOTALS	na	na	429	100	298	100

TABLE 27a: Employee Self Perception of own Contribution to Improvement Team (Mean scores)(by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	429	2.47	298	2.41
SHOPFLOOR WORKERS	na	na	306	2.52	183	2.53
SUPERVISORS	na	na	46	2.02	43	2.16
WHITE COLLAR STAFF	na	na	35	2.28	41	2.24
OTHERS	na	na	39	2.74	26	2.26

Based on a scale of choice where:

1 = Contribute a Great Deal
2 = Quite a Lot
3 = Some Contribution
4 = Very Little Contribution
5 = No Contribution

for shopfloor workers). Indeed about 50% believed
that they contributed 'quite a lot' or 'a great deal'
to them.

The longitudinal data quite clearly shows a small but
perhaps significant increase in the level of employee
interest in small group activities - tentatively
explained by the intrinsic process of involvement in
group problems solving itself.

> "Despite the compulsion ... people are more
> confident and a little bit more enthusiatic
> than they used to be by making an input.
> Before people were not 'switched on to making
> an input." (Group Leader 1989)

As the Japanese recognised, in any enterprise there
will be a mixed set of responses. What is critical
for management is to identify those positive signs and
develop these. For the Japanese operating in a
foreign cultrure and language it was clearly more
problematic to identify and evaluate 'signs and
symbols' in employees' attitudes and therefore, as the
author argued in chapter 6, were largely dependent on
local managers' interpretation of the factory culture.

To what extent have small group activities made a
positive impact on improving matters in work areas?
Tables 28 and 28a show that shopfloor workers
generally felt that some improvement had been derived
from the introduction of Improvement Teams though a

TABLE 28: Employee Assessment of the Effectiveness of Improvement Teams in Improving Things in Own Work Area (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
MADE A BIG IMPROVEMENT	na	na	77	18	40	13
MADE SOME IMPROVEMENT	na	na	219	51	135	45
VERY LITTLE IMPROVEMENT	na	na	87	20	81	27
MADE NO IMPROVEMENT	na	na	36	8	34	11
MADE THE SITUATION WORSE	na	na	15	3	11	4
TOTALS	na	na	434	·100	301	100

TABLE 28a: Employee Assessment of the Effectiveness of Improvement Teams in Improving Things in Own Work Area (Mean scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	434	2.29	301	2.47
SHOPFLOOR WORKERS	na	na	309	2.40	182	2.63
SUPERVISORS	na	na	49	1.83	46	2.30
WHITE COLLAR STAFF	na	na	36	2.16	42	2.04
OTHERS	na	na	37	2.02	26	2.38

Based on a scale of choice where:

1 = Made a Big Improvement
2 = Some Improvement
3 = Very Little Improvement
4 = No Improvement
5 = Made the Situation Worse

small decline in this positive portrayal can be seen between 1989 and 1990 (mean scores 2.40 and 2.63 respectively). Only around 15% of all respondents indicated a negative response on the perceived effectiveness of Improvement Teams in their work area - little significant change from the position in 1989.

A similar picture emerges from employees' assessments of the impact of small group activity on relationships in their work area given in Tables 29 and 29a. The views of shopfloor workers and whitecollar staff and 'others' are almost identical in the mean scores for 1989 and 1990. Overall, workers were clearly signifying that small group activities had some positive impact on improving work relationships, though it is difficult to ascertain how large that impact was with these measures. Though very few respondents indicated that GA's and IT's had made relationships 'worse', in both survey years less than 10% believed that Improvement Teams had 'made a big improvement' in relationships.

A question on the extent to which staff actually enjoyed the experience of Group Activities was also included. This data is given in Tables 30 and 30a. These numbers also shows little change occurred between 1989 and 1990 in employees' assessment of the extent to which they derived 'enjoyment' from participation in Improvement Teams. The figures

TABLE 29: Employee Assessment of the Effectiveness of Improvement Teams in Improving Relationships Amongst Staff in Own Work Area (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
MADE A BIG IMPROVEMENT	na	na	39	9	28	9
MADE SOME IMPROVEMENT	na	na	178	42	107	36
VERY LITTLE IMPROVEMENT	na	na	101	24	88	29
MADE NO IMPROVEMENT	na	na	74	18	60	20
MADE THE SITUATION WORSE	na	na	31	7	17	6
TOTALS	na	na	423	100	300	100

TABLE 29a: Employee Assessment of the Effectiveness of Improvement Teams in Improving Relationships
Amongst Staff in Own Work Area (Mean scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	423	2.71	300	2.77
SHOPFLOOR WORKERS	na	na	300	2.79	181	2.75
SUPERVISORS	na	na	49	2.20	46	2.87
WHITE COLLAR STAFF	na	na	35	2.62	42	2.61
OTHERS	na	na	36	2.83	26	2.76

Based on a scale of choice where:

1 = Made a Big Improvement
2 = Some Improvement
3 = Very Little Improvement
4 = No Improvement
5 = Made the Situation Worse

suggest that about a third of respondents in each year's survey did not enjoy Improvement Teams 'at all' or 'very little'; just over a one-third appeared to enjoy them on some occasions and not others.

Enjoying Improvements Teams 'a great deal' was comparatively rare in the sample at 8% in 1989 and 5% in 1990, In 1989 30% of all respondents enjoyed GA's either 'a great deal' or 'quite a lot', compared with 20% in 1990. Shopfloor workers enjoyed small group activities least, recording mean scores 3.26 in 1989 and 3.33 in 1990. Whitecollar staff (mean scores from 2.86 in 1989 to 3.28 in 1990) and supervisors (2.51 to 3.26 in 1990) groups both showed some signs of a deterioration in their enjoyment of IT's during the survey, whereas the shopfloor view remained 'stable'.

In the final analysis, small group activities depend on a cooperative workforce and a competent management. The evidence presented in this Thesis suggests that Japanese management's goal of moving incrementally towards optimising labour utilisation through 'untapping' latent *employee propensities to participate* are closely linked to the 'texture' of everyday relationships (GOFFMAN 1971 op cit). This is surely a *'social dynamic'*. Employees' self perceptions, fairness and respect for 'ordinary' factory workers all play in part in the wider

TABLE 30: Employee Assessment of Personal Involvement in Improvement Teams (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
I ENJOY IT A GREAT DEAL	na	na	33	8	16	5
I ENJOY IT QUITE A LOT	na	na	92	22	46	15
I SOMETIMES ENJOY IT, SOMETIMES NOT	na	na	159	38	128	43
I ENJOY IT VERY LITTLE	na	na	54	13	47	16
I DON'T ENJOY IT AT ALL	na	na	78	19	62	21
TOTALS	na	na	416	100	299	100

TABLE 30a: Employee Assessment of Personal Involvement in Improvement Teams (Mean scores)(by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	416	3.12	299	3.31
SHOPFLOOR WORKERS	na	na	297	3.26	180	3.33
SUPERVISORS	na	na	45	2.51	46	3.26
WHITE COLLAR STAFF	na	na	36	2.86	42	3.28
OTHERS	na	na	35	3.00	26	3.26

Based on a scale of choice where:

1 = Enjoy a Great Deal
2 = Enjoy Quite a Lot
3 = Sometimes Enjoy, Sometimes Not
4 = Enjoy Very Little
5 = Do Not Enjoy At All

'situational factors' that are controlled by
management.

The disparity between expectations was outlined by one
office staff representative who looked back over four
years:

> "I don't see any real change. The top management
> said [it] was a good idea but we are the ones who
> have to do [it]. It was supposed to be voluntary
> but its imposed. They suddenly they said, 'This
> is your Group Leader, get on with it'. Then the
> management say that they want us to work as a team
> and that cooperation is important in Group
> Activities but then if you are one minute late
> they stop you 15 minutes pay!   (1989)

The Japanese managers were also criticised by British
management and supervisors for not being more active
in advising on small group working:

> "We have quite a few Japanese in my department but
> they are not interested in IT's. Being that it
> came from Japan in the first place you'd have
> thought the 'Japs' would have been keen. We had a
> Japanese member once but he stopped coming and
> said he was always too busy." (Supervisor 1990)

In summary the ongoing development of BIUK's
programme(s) of 'small group activities' has suffered
from poor planning and lack of training in the early
formative period. The 'directive' nature of the
programme and three changes in name have left a legacy
of resentment and confusion amongst some staff whilst
other staff have shown rising interest and motivation.

High labour turnover has also created somewhat
unstable conditions for group identity.

Increasingly, the problems in introducing small group
activities through the CWQI programme, *highlighted the
divide between the 'two' management teams.*
Differences in general expectations and value systems
were becoming institutionalised and both 'tracks' of
management began to depend more and more on their own
distinct channels and information networks. In the
light of Japanese criticisms, localisation of control
seemed a distant prospect for many British managers.
A sense of this mood can be seen in this quotation
from one of the middle managers in Factory 1:

> "We British managers ... simply don't share
> visions with the Japanese any more, which many
> believe reflects the lowering of expectation of
> us. You can see that in the IT set-up ... More
> and more the Japanese attitude is that we must
> make do with the managers we have got. We know
> that the Japanese are dissapointed in the quality
> of the managers at senior level because we middle
> managers are dissapointed too." (1990)

On the British management's 'side' there is a level of
in-fighting over principles and practical application
which has been counter-productive in providing the
level of support demanded by Japanese senior staff and
the expectation of shopfloor workers and office
workers alike. On the Japanese side, the author
suggests that there has been a gross underestimation

of the resources required for training and a lack of joint Japanese-UK involvement. More importantly, perhaps, the Japanese managers clearly miscalculated the *propensities of British management* to set the appropriate climate for the development of this type of employee participation.

British management's problems were exacerbated by the need to reconcile highly 'directive' management styles and strict matters of factory discipline (demanded for productive efficiency) - and an expectation laid down by the Japanese - that local management would develop high-involvement techniques of management. By 1990 several shopfloor representatives bitterly talked about "management by fear" and the Group Leader Survey cited above, was followed by a series of 'crisis' meetings at the end of 1990, attended by all company managers. In the light of this kind of feedback, together with a marked deterioration in trading conditions, the final stage of the research was characterised by a growing sense of demoralisation and near-crisis in the personnel management and industrial relations of the company.

DISCUSSION, CONCLUSIONS AND POLICY IMPLICATIONS

A High-Involvement Analytical Framework Reconsidered

The main aims of this Doctoral research project, a longitudinal study of the introduction and subsequent operationalisation of a programme of employee participation in BIUK, have been accomplished. Previous chapters have described the formal participation *structures* together with detailed analyses of management-employee communications, joint consultation arrangements and small group activities. Furthermore, changes in the *attitudes* of the main Japanese and British parties have been evaluated at pre-set time frames. A contingency participation model, adapted from Walker (WALKER 1970 op cit), was utilised as a useful *conceptual framework* in analysing the linkages between Japanese business goals and high-involvement management techniques. This framework was also adapted to show that the 'outcomes' of the implementation of formal participative structures are most usefully analysed in a *dynamic interative mode* as was shown in Figure 1.

It is also commended to the Reader that the utilisation of a *longitudinal case study methodology* for this project has proved to be particularly valuable, despite the problems of validation outlined in chapter 3. Given the attention to comparisons at

different *organisational levels* sequenced over a five-year period, the project has generated a substantial collection of qualitative and quantitative data capable of further exploration in relation to other research output on Japanese companies within the UK and also internationally.

The introduction of employee participation in BIUK has reflected the 'piecemeal pragmatism' described in earlier research and reviewed in chapter 2 (WHITE AND TREVOR 1983 op cit; TREVOR 1988 op cit). Supporting evidence was found for the proposition that BIUK, as a Japanese-owned business, had a *high potential* for developing participative management techniques. Chapters 5 and 6 suggested that such techniques are particularly likely to be effective in new-start situations because no one group has a vested interest in the status quo and employees have a higher willingness to work in such situations where, at least in theory, personnel management 'components' can be designed to be mutually reinforcing.

In chapters 2 and 6, it was also shown that experimentation with staged high-involvement management techniques was an important and integral part of Japanese *manufacturing strategies.* In particular, it has been argued that, in large measure employee involvement reflected a rational Japanese business philosophy of tapping the 'latent'

contribution of workers towards the goals of workshop efficiency, productivity and quality. The BIUK longitudinal case study has demonstrated a tenacity, despite difficulties, in implementing such practices.

The findings from the research suggested that the mainly young, female employees at the base of the organisational hierachy *want* to be informed and consulted, but the formal structures introduced to give substance to these propensities were perceived not to be working effectively. The qualitative evidence presented also led to a conclusion that despite the introduction of a variety of formal communication- related structures (notably team briefings, JCC/Company Council and Group Activities/Improvement Teams) a substantial proportion of employees have persistently recorded dissatisfaction with communications and consultation in BIUK.

In chapters seven and eight, quantitative data was presented that showed that the focus of interest of most shopfloor respondents was mainly, though not exclusively, at the level of the immediate job or task. The research also provided some further interesting data on employee aspirations as to having more 'say' in the workplace. Tables 31 and 31a below, reveal that approximately three-quarters of all repondents had aspirations for more 'involvement' −

TABLE 31: Employee Aspiration for Greater Say in the Workplace, by Level (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
I HAVE ENOUGH SAY	na	na	104	24	52	19
I WOULD LIKE MORE SAY IN MATTERS CONCERNING MY OWN JOB	na	na	189	43	98	37
I WOULD LIKE MORE SAY IN MY SECTION	na	na	83	19	59	22
I WOULD LIKE MORE SAY IN MY DIVISION	na	na	24	5	22	8
I WOULD LIKE MORE SAY IN BROTHER'S FACTORY AS A WHOLE	na	na	40	9	38	14
TOTALS	na	na	440	100	269	100

TABLE 31a: Employee Aspiration for Greater Say in the Workplace, by Level (Mean scores) (by Job Category)

JOB CATEGORY	1987		1989		1990	
	N	MEAN	N	MEAN	N	MEAN
ALL RESPONDENTS	na	na	440	2.33	269	2.61
SHOPFLOOR WORKERS	na	na	309	2.33	171	2.67
SUPERVISORS	na	na	47	2.48	37	2.73
WHITE COLLAR STAFF	na	na	35	2.11	36	2.38
OTHERS	na	na	45	2.28	20	2.25

Based on a scale of choice where:

1 = Enough Say
2 = More Say in My Own Job
3 = More Say in My Section
4 = More Say in My Division
5 = More Say in Factory as a Whole

once again reinforcing earlier findings from the study
that there was indeed a substantial demand for
employee participation, especially at the task level.
An analysis by job category revealed that *all* groups
indicated a fairly high desire for 'more' involvement.

The study also pointed out that workers expressed a
strong desire for more information and involvement
across a range of issues which was not currently
satisfied by either the top BIUK management or by
supervisory briefings or, indirectly, by employee
representatives through the auspices of the Company
Council. Tables 32 and 32a support this conclusion
and show that, in 1990, 59% of all respondents were
either 'quite dissatisfied' or 'very dissatisfied'
with the extent to which they were personally
consulted by management. This figure compared with
some 25% of staff who expressed some level of
'satisfaction'. These figures are broadly similar to
the employee attitudes given for the situation in
1989.

The widespread interest in, and propensity for,
participation amongst a significant number of workers
supports the Japanese opinions, expressed in earlier
chapters, that an 'untapped reservoir' of employee
interest existed in BIUK, was apparently not being
sufficiently recognised and nurtured by local
management. Demand for 'more information' across a

TABLE 32: Employee Satisfaction with the Extent to Which They are Personally Consulted by Management (All Respondents) (Percentage Scores)

	1987		1989		1990	
	N	%	N	%	N	%
VERY SATISFIED	na	na	12	3	4	1
QUITE SATISFIED	na	na	127	29	71	24
NOT BOTHERED EITHER WAY	na	na	62	14	45	16
QUITE DISSATISFIED	na	na	130	29	114	39
VERY DISSATISFIED	na	na	112	25	59	20
TOTALS	na	na	443	100	293	100

TABLE 32a: Employee Satisfaction with the Extent to Which They are Personally Consulted by Management
(Mean scores) (by Job Category)

JOB CATEGORY	1987		1989			1990	
	N	MEAN	N	MEAN		N	MEAN
ALL RESPONDENTS	na	na	444	3.46		293	3.52
SHOPFLOOR WORKERS	na	na	303	3.56		178	3.59
SUPERVISORS	na	na	51	3.19		44	3.52
WHITE COLLAR STAFF	na	na	37	3.10		41	3.22
OTHERS	na	na	49	3.42		25	3.48

Based on a scale of choice where:

1 = Very Satisfied
2 = Quite Satisfied
3 = Not Bothered Either Way
4 = Quite Dissatisfied
5 = Very Dissatisfied

wide range of matters was surprisingly high and
perhaps indicated that young workers were indeed
inquisitive and, given the previous data presented on
workers' attitudes towards the quantity and quality of
information received, so reinforcing the critical
evaluation of BIUK's management performance as
progenitors of information.

In evaluating employee propensities for involvement,
it was also felt desirable to test the extent to
which, in the light of shopfloor and office staff
dissatisfaction, employees actually wanted more
influence or control. Table 33 provides data on
employee preferences for decision making modes across
a range of issues. Relatively few respondents
desired joint determination with management or
workers' unilateral control over decisions but the
mean scores *strongly suggested* that most employees
desired a decision-making style that emphasised a
sharing of information by management and extentions of
employee consultation.

Turning specifically to the arrangements for joint
consultation. BIUK's arrangements appear to confirm
the hypothesis suggested in the review of literature,
namely that Japanese firms modify their consultative
arrangements as a consequence of growth and union
recognition. In structural terms, the consultative
process in BIUK has been transformed from an initial

TABLE 33:   Employee Desired Decision Making Mode Across Range of Issues
(Mean Scores) (by Job Category) (1990 Survey only)

	SHOPFLOOR WORKERS		SUPERVISORS		WHITE COLLAR		OTHERS	
	N	MEAN	N	MEAN	N	MEAN	N	MEAN
INTRODUCING NEW TECHNOLOGY	174	2.13	44	2.13	39	1.97	26	2.30
LAYOUT OF THE FACTORY	173	2.52	44	2.36	41	2.26	25	2.24
MANNING LEVELS	166	2.16	44	1.63	40	2.05	25	2.00
WORKING CONDITIONS	169	2.98	44	2.95	41	2.90	25	3.12
TRAINING	173	2.72	44	2.65	40	3.00	25	2.88
LAYOFFS	167	2.72	43	2.39	40	2.95	25	2.36
OVERTIME LEVELS	169	3.01	44	2.13	40	2.77	25	2.60
STAFF DISCIPLINE	167	2.13	44	1.88	40	2.12	25	2.12
TRANSFER OF STAFF TO DIFFERENT SECTIONS	172	3.04	43	2.51	40	3.30	25	2.72
SAFETY AND HEALTH MATTERS	174	2.77	44	3.00	40	2.87	25	2.72
CYCLE TIMES ON THE LINE	167	2.57	42	1.97	33	2.48	24	2.33
QUALITY MATTERS	168	2.10	44	2.38	38	2.13	25	2.28
INTRODUCTION OF A NEW PRODUCT	169	2.04	44	2.04	40	1.97	25	2.04
WAGES	173	3.06	44	2.84	40	2.90	25	2.68
PROMOTION	167	2.49	44	2.09	40	2.62	25	2.56
APPRAISAL SYSTEM	167	2.51	44	2.34	40	2.67	25	2.56
BONUS PAYMENTS	171	3.01	44	2.50	40	2.67	26	2.57
SOCIAL AND SPORTS EVENTS	168	3.27	44	3.97	40	3.27	23	3.65
CANTEEN FACILITIES	170	3.01	44	3.22	40	3.20	25	3.24
PENSIONS AND BENEFITS	170	2.70	44	2.70	40	2.92	25	2.72

Based on a Scale of Choice Where:

1 = A Matter for Management Alone
2 = Employees Should be Informed
3 = Employees Should be Consulted
4 = No Action Until Employees Agree
5 = Employees Decide Matter Themselves

Informal Model, and later Separation Model, into what was described in chapter 3 as a *Combined Multi-stage Model*.

The consultative committee had been evolving, in several other significant ways, over the period of investigation. Firstly, the interactions between employees and management provided a learning opportunity for young representatives which severely tested the Company's 'open communications' policy. In practice the JCC/Company Council displayed signs that the *separation* of consultation from collective bargaining was increasing difficult to achieve.

Secondly, despite the criticisms outlined in chapter 8 on the formal operation of the Company Council, most employees nevertheless believed that a Company Council, was basically 'a good idea'. Tables 34 and 34a also reveal further evidence of a *high propensity to participate* since employees showed widespread support for a participation across a range of methods. Relatively fewer respondents were enthusiatic about small group activities, perhaps due to the compulsory nature of the scheme(s), as discussed in chapter 9. Shopfloor workers were keen to consistently support a profit sharing scheme, having access to more information and a suggestion scheme with rewards.

TABLE 34: Employee Attitudes Towards Various Methods of Worker Participation (All Respondents) (Percentage Scores) (1989 and 1990 Surveys Only)

	VERY GOOD IDEA		GOOD IDEA		NOT SURE		BAD IDEA		VERY BAD IDEA	
	89	90	89	90	89	90	89	90	89	90
WORKERS OWNING A FIRM AND RUNNING IT THEMSELVES	18	17	21	23	38	36	15	18	8	6
HAVING ELECTED REPRESENTATIVES ON A COMPANY COUNCIL	15	20	50	52	26	22	7	3	2	3
HAVING WORKER REPRESENTATIVES ON A BOARD OF DIRECTORS	33	31	41	41	19	23	5	3	2	2
BEING GIVEN A CHANCE TO PARTICIPATE IN IMPROVEMENT TEAMS	20	16	44	34	21	26	8	13	7	11
EXTENDING UNION NEGOTIATIONS ON MATTERS AFFECTING THE WHOLE FACTORY	26	29	37	34	25	26	7	6	5	5
A PROFIT SHARING SCHEME FOR ALL STAFF	52	53	32	32	12	12	2	2	2	1
BEING GIVEN MORE INFORMATION ON THE FUTURE PLANS OF THE FIRM	61	55	31	34	5	9	1	1	2	1
SUGGESTION SCHEME WITH REWARDS FOR GOOD IDEAS	54	47	35	41	7	9	2	2	2	1
TELLING SUPERVISORS ABOUT WAYS TO IMPROVE THINGS	na	32	na	47	na.	13	na	6	na	2
A CHANCE TO RAISE QUESTIONS WITH TOP MANAGEMENT AT GENERAL MEETINGS OF ALL STAFF	na	42	na	37	na	16	na	4	na	1

Average Number of Responses: 1989 = 450   1990 = 290

TABLE 34a: Employee Attitudes Towards Various Methods of Worker Participation (Mean Scores) (by Job Category)

	SHOPFLOOR WORKERS		SUPERVISORS		WHITECOLLAR STAFF		OTHERS		ALL RESPONDENTS	
	89	90	89	90	89	90	89	90	89	90
WORKERS OWNING A FIRM AND RUNNING IT THEMSELVES	2.71	2.62	2.79	2.86	2.94	2.73	2.63	3.33	2.74	2.72
HAVING ELECTED REPRESENTATIVES ON A COMPANY COUNCIL	2.35	2.19	2.28	2.35	2.23	1.82	2.15	2.32	2.31	2.17
HAVING WORKER REPRESENTATIVES ON A BOARD OF DIRECTORS	1.95	1.94	2.41	2.51	2.15	1.97	2.04	2.16	2.03	2.05
BEING GIVEN A CHANCE TO PARTICIPATE IN IMPROVEMENT TEAMS	2.41	2.69	2.09	2.76	2.51	2.39	2.22	2.84	2.37	2.68
EXTENDING UNION NEGOTIATIONS ON MATTERS AFFECTING THE WHOLE FACTORY	2.15	2.05	2.78	3.00	2.56	2.14	2.46	2.56	2.29	2.24
A PROFIT SHARING SCHEME FOR ALL STAFF	1.70	1.65	1.75	1.71	1.80	1.51	1.51	1.69	1.69	1.65
BEING GIVEN MORE INFORMATION ON THE FUTURE PLANS OF THE FIRM	1.52	1.67	1.54	1.42	1.55	1.63	1.29	1.28	1.50	1.59
SUGGESTION SCHEME WITH REWARDS FOR GOOD IDEAS	1.63	1.68	1.75	1.55	1.64	1.68	1.50	1.88	1.64	1.68
TELLING SUPERVISORS ABOUT WAYS TO IMPROVE THINGS	na	2.00	na	1.95	na	1.92	na	2.20	na	2.01
A CHANCE TO RAISE QUESTIONS WITH TOP MANAGEMENT AT GENERAL MEETINGS OF ALL STAFF	na	1.85	na	2.08	na	1.65	na	1.80	na	1.84

Based on a Scale of choice where:
1 = Very Good Idea
2 = Good Idea
3 = Not Sure
4 – Bad Idea
5 = Very Bad Idea

Interviews with employee representatives over almost four years strongly suggested that the perceived exclusion from the 'affairs of the company' - communications and consultation processes - compounded workers' feelings of estrangement and a lack of respect felt by many 'ordinary' workers. Chapters 7 and 8 emphasised that exclusion from 'basic information' contributed to low-self esteem which thereby acted as a powerful disincentive in the development of a gradual improvement in workers' propensity to participate as anticipated by Japanese managers. This was identified in changing employee attitudes towards cooperation with management in such matters as rapid changes in work processes and job transfers.

Some further evidence for this hypothesis can be found in the very high levels of labour turnover and the rather negative employee assessment of BIUK as an employer, contained in Table 35. The data, on shopfloor workers' attitudes shows that there was indeed little to suggest that Brother had developed a distinctive 'human relations' orientated culture that differentiated it in the eyes of workers from other employers.

Some 65% of respondents indicated that they disagreed that BIUK was a company that made them 'feel that they belonged'; some 50% disagreed that BIUK was the 'best

TABLE 35: Employee Assessment of Relationship with Their Employer.
(Percentage Scores) (Shopfloor Workers) (1990 Survey Only)

	STRONGLY AGREE	AGREE	UNSURE	DISAGREE	STRONGLY DISAGREE
BROTHER MAKES YOU FEEL YOU BELONG	2	10	23	41	24
BROTHER IS TOO STRICT WITH WORKERS	12	21	25	32	10
BEST FIRM I HAVE WORKED FOR	2	16	32	23	27
THEY TREAT YOU LIKE A NUMBER	24	36	16	20	4
BETTER THAN THE AVERAGE UK COMPANY	3	17	49	18	13
ORDINARY WORKERS ARE TREATED WITH RESPECT	3	17	22	40	18

Average Number of Responses - 176

firm they had worked for'; and 58% indicated that they disagreed that 'ordinary workers were treated with respect'. Some 60% believed they were 'treated like a number'. Numerous shopfloor respondents wrote down comments in the open-ended section of the questionnaire. A strong theme running through these responses that things had changed adversely from the 'early days'. A significant number associated the unfavourable change in relationships to the style of British management compared with Japanese.

It may be postulated that the underlying adversarial relationships between workers and BIUK management were difficult to accept, especially by Japanese managers. It is here suggested that the 'uncontaminated labour', referred to in previous research on recruitment in newly established Japanese firms, is unlikely to remain insulated from the hard-learnt lessons of factory life for long. A tentative proposition in this regard, is that conflictual attitudes surfaced rather quickly, as the experience of representatives on the JCC/Company Council showed. For many workers the 'new' industrial relations climate simply failed to materialise in BIUK.

Working under the highly disciplined and alienating production regime most assembly workers faced the dilemma of remaining and to accept matters as they were, seek promotion, or to simply leave. Many have

chosen the latter route. This case study of changing

employee attitudes largely confirms White and Trevor's

1983 study in which they describe a "retrogression" of

shopfloor attitudes (WHITE and TREVOR 1983 op cit).

A final quote which seemed to sum up the

'inevitablity' that industrial relations would 'revert

to type' *despite the influence of the Japanese* is

given by one of the longest-standing JCC/Company

Council representatives:

> "I'll tell you something, it's still 'them and us'
> despite what you hear from others. Even today
> after these past years we are always asking 'what
> exactly is the role of the Company Council'? ...
> We lack direction and identity. Are we a British
> or a Japanese outfit? ... The top Japanese
> manager says it should be a 'we' situation and we
> should think of the firm as a ship and we are all
> the crew. But it can never be like that because
> we will always have disagreements". (1990)

This line of interpretation also leads towards a

reappraisal of 'environmental' influences on attitudes

and behaviour (AZUMI and McMILLAN 1975 op cit). The

critical evaluation of the extent to which young

workers were informed and consulted suggests to the

author that the contemporary social environment had an

important impact on organisational relations,

particularly in the area of *workers' expectations.*

This may be linked to 'cultural conditioning' in the

wider society which, for workers with little or no

previous work experience, appeared to play some part in setting the relatively wide aspirations for participation. It is suggested here that a logical extension of contingency models, such as that adapted by the author, is to try to incorporate cultural and environmental influences in future comparative research.

The Juxtaposition of Japanese and UK Management

As highlighted in chapters 2 and 5, the author propounded a view that a growing direct manufacturing investment by Japanese manufacturers presented new opportunities for promoting a high-involvement management style. From interviews conducted annually over four years, it became apparent that Japanese senior managers came to address only gradually, the implications for company policy arising from differences in the British industrial culture. From the rather stereotyped view of 'militant' industrial workers, the learning curve for the Japanese necessitated a readjustment away from 'restructuring' shopfloor attitudes towards a closer appraisal of the performance of British managers.

It was demonstrated in chapter 6 that, in Japan, competitive advantage begins on the shopfloor with high labour utilisation and employee participation in management. The attempts to operationalise

successfully a range of direct and indirect participative techniques in BIUK seem to confirm the suggestion of previous research findings that putting Japanese-style participation into practice is highly problematic in the UK context.

At the outset and throughout the period of the research, UK managers were generally much less sanguine about the prospects of success in employee participation, especially given the low age profile, relatively poor educational attainment and generally high 'instrumentalism' of shopfloor workers. In terms of employee propensity for participation, British managers defined this as 'low'.

Qualitative data has also been put forward that illustrates a quite different set of management priorities manifested by Japanese personnel strategies. At one level, Japanese managers take as their *starting point* a conception that substantial numbers of employees have a *latent propensity for participation* beyond the 'maintenance function' of their immediate task. The responsibility of all managers is to find ways of developing this latent propensity to fulfil the goals of optimisation labour utilisation. The experience of Japanese respondents in this case study suggests that this strategy has been rather more difficult to achieve in practice.

The longitudinal approach shows that, throughout the fieldwork, the Japanese attitudes became increasingly tempered with growing pessimism that, without a long term Japanese controlling influence, the goals of a highly efficient, flexible and 'quality-first' manufacturing facility would prove to be unattainable. At the end of 1990, Japanese senior managers and executives in Japan were aware of the further progress required to adapt 'essential' aspects of BI's systems of communication and participation into the Company's British plant to achieve their business goals.

However, the present study has also shown that Japanese management have a tenacity to pursue the organisational goals through participative management despite the unmistakable problems that local management staff often perceive to be 'totally intractable'. The response of Japanese staff towards raising the actual level of employee involvement was invariably to request British management to be more pro-active. The unfolding events in BIUK show both a failure of communications among the various levels of British workforce and, perhaps more importantly, a failure of the British and Japanese staff to work together as a team to design and operationalise a system of effective employee participation.

The fieldwork has shown that Japanese managers have comparatively little understanding of 'political

communications' — custom and practice, rumours and gossip. In other words, the *informal* structures and interactions which are important for manipulating information are lost on all but the most astute and linguistically competent Japanese expatriates. When information was found to be deliberately witheld, for instance, this inevitably led to an atrophy of mutual trust.

The issue of communications, therefore, not only directed attention to complex social and cultural differences but also to questions of authority and control. The data presented is interpreted as reflecting *normative* differences between Japanese and British staff not simply in terms of different traditions and expectations but, moreover, in fundamental questions of 'legitimate authority' (LAZONICK 1990).

For many UK managers, developing a participative mode required *unlearning* the ideology of unbridled managerial prerogative — a lesson difficult to accept for them when 'enforced' by foreigners on homeground. The British managerial ideology, competitive individualism, could also be identified in the lack of inter-departmental communication and concern for those 'downstream' of the consequential knock-on effect of decisions made elsewhere. Ex-managers interviewed in new posts talked about 'empire building' and the lack

of information sharing among the British management group.

Occasionally, UK managers tried to hold a concerted line on issues when confronting the Japanese group in regular meetings. This did not work over the long run because the British managers had great difficulty in suppressing their personal dislike of particular initiatives and then ventilated these views to the detriment of the management 'team' consensus. In 1988 for example the UK managers responsible for CWQI bemoaned the fact that British colleagues were not making Group Activities 'work' by getting personally involved and stimulating their progress.

British managers' 'traditional obsession' with secrecy may be no more than an attempt to secure those information privileges associated with hierarchy. However. whilst Japanese managers viewed this as an impediment to organisational efficiency, criticisms of managerial competency of UK managers became a self-fulfilling prophecy when British management staff were so obviously excluded from the decision-making processes. The dilemma for UK managers was deeply associated with their dependency on Japanese managers in setting the parameters of control and performance appraisal, as against their own aspirations for greater responsibility and control.

The philosophy which underpines Japanese approaches to employee participation is explained not by the desire to have 'happy workers' but reflects a different conception of the employment contract which, rooted in a highly-integrated set of formal and informal institutions can only be transferred into different industrial cultures with difficulty. The explanation for these 'difficulties' first requires a fresh approach to understanding that problems of *some* description are as inevitable in Japanese subsidiaries overseas as in any other organsation.

What is interesting is that, the high operational presence of Japanese managers, led to a critical questioning by then of the 'taken-for-granted assumptions' of British managers. This phenomenon · threw up many complex social and technical issues. In practice, the parties rarely seized opportunities to work together to define the nature of the problems and seek joint solutions. In the author's opinion this will require a new type of management strategy that can combine Japanese experience in linking participation to productivity, with the local knowledge that British managers could bring into play.

The proposition here is that there are complex processes at work in Japanese overseas subsidiaries that affect the nature and timing of localisation. Local managers increasingly began to counter-weigh

their dependency on Japanese staff by developing their own communication networks in order to assert or re-assert control.

This kind of 'pendulum effect' inevitably involves a greater or lesser degree of tension between the two teams of managers. Given the policy of localisation prefered by many Japanese overseas manufacturers, the evidence in this Thesis does cast further doubt on the ability of some Japanese enterprises to fully develop a genuinely international 'hybrid' form of management, even in the long term.

Though shopfloor workers generally applauded the Japanese 'approachability', there was little evidence of Japanese participation in the application of high participation structures. British management's frame of reference, in terms of adversarial expectations and the felt need to exercise 'directives', was barely touched by Japanese management styles. Using Walker's typology *management propensities remained low.*

Yet, paradoxically, over almost the whole period of the reserach, the 'canvas' of developing employee participation in practice was left to the British managers to drive forward. Only in later stages did the Japanese MD seriously address the issue of whether British management commitment to the principles and practice of employee involvement was related to

competency. During 1990, the whole UK management team were instructed to attend a training course at the local college and senior British managers received briefings from an outside consultant.

What was witnessed in BIUK was a clash of management values and ideologies. In contrast to the theory of 'organisational learning', the episodic changes in BIUK appear to have left attitudes more or less intact. The antagonisms and differences in styles amongst Japanese and UK managers (exhorted by Japanese managers as "how-we-do-things-in-Japan"), was made 'visible' to ordinary workers to an extent often underestimated by British managers. The lack of signs of managerial teamwork created a negative symbol for UK management - subordinate relations. Employee participation is one vital area of the 'Japanisation' debate where these differences in Japanese and British industrial culture and management methods have been raised in sharp relief. By 1990, and after five years of trial and error, employee participation, consultation and communications are perhaps more contentious and controversial than in 1986 when this project was initiated.

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APPENDIX A: EMPLOYEE ATTITUDE QUESTIONNAIRE(S)

Notes

For Phases 4 and 5 of the project the questionnaire was extended to include a wider range of questions from the original pilot survey in 1987. Additions to the questionnaire design took account both of changes in formal participative mechanisms and also incorporated new aspects of the research which were developed as the project unfolded from April 1987 onward. The most notable additions were those questions which covered the introduction of small group activities, work orientations and different methods of participation. The 1990 version also included an open-ended question which proved an invaluable source of supplementary information on employee attitudes. (See especially Chapters 7, 8 and 9)

The questionnaire which follows is the 1990 version. It not only contains all the questions put in the final phase of the research but also includes the questions from the 1989 survey and the 1987 pilot survey. This 'enhanced longtitudinal method' was described in detail in Chapter 3 and in the Statistical Notes. The list of questions for each of the three survey's are noted below:

1987 Pilot Questionnaire

Questions: 3,4,5,6,7,8,9,10,11,15,24,25,26.
1989 Questionnaire

Questions: 1-37 in the 1990 'enhanced'version *excluding* questions 34,35,36,37.

Statistical Notes

1. The 1987 survey questionnaire did not categorise respondents into job classifications and therefore some of the tables only include aggregate tallies. At the time of the pilot survey there was good reason to adopt a cautious approach to data gathering since the longer term success of the project depended on a willingness of both UK and Japanese managers as well as shopfloor employees to cooperate. Confidentiality was clearly vital in the formative stages of the fieldwork. As the project progressed and the credibility and trust built up it was possible to probe more deeply into a range of issues by identifying particular groups of employees. (See discussion of research methods and the 'enhanced data accumlation' approach adopted in chapter 3).

2. In a number of Tables there is a small discrepancy between 'all respondents' and the totals for the four job categories listed. This is accounted for by the non-responses of a small number who did not identify their job in their quesionnaire return but replied to the individual questions covered in these Tables.

3. All Tables have been computed to exclude 'non responses' from the data. This was decided on the grounds that the 'non-responses' if included, would give unduely influence the actual picture of employee attitudes.

4. In columns where 'na' appears, this signifies that a particular question was 'not asked' or 'not available'.

5. Several Tables contain average figures for respondents. This device was used to ensure that Tables were not unduely cluttered with repetitive 'N' numbers. Sample sizes are large enough for 'representative' numbers of valid returns in each job category.

THE UNIVERSTY OF SALFORD

As you may know, since 1985 I have been carrying out a survey of how Brother Industries has been operating. Each year I have visited Wrexham and Ruabon to study how BIUK has changed and to get the views of as many Brother staff as possible.

This project in unique because it will provide an independent picture of how a Japanese firm has coped with operating in the UK.

Your views are vital it this 5-year study is to be successful. This questionnaire is designed to enable you to put your personal opinions forward.

As with previous questionnaires your answers are **confidential and no names** are required.

**PLEASE SEAL THE ENVELOPE AND HAND *THE COMPLETED*
QUESTIONNAIRE TO YOUR SUPERVISOR**

Thank you for your help - It is greatly appreciated.

Geoffrey Broad
University of Salford
December 1990

TO START OFF WITH I WOULD LIKE TO ASK SOME BACKGROUND QUESTIONS.

1. WHAT IS YOUR JOB TITLE?

    Operator
    Floater
    Leader
    Technician
    Assistant Supervisor
    Supervisor
    Clerk
    Secretary
    Other Job: Please Write In

2. PLEASE INDICATE IF YOU HAVE ANY OF THESE EDUCATIONAL QUALIFICATIONS.

    C.S.E.
    G.C.S.E.
    G.C.E. 'O'
    G.C.E. 'A'
    B/TEC
    TEC
    DEGREE

WOULD YOU MIND GIVING ME YOUR VIEWS ON COMMUNICATION IN BROTHER INDUSTRIES?

3. IN GENERAL, HOW WOULD YOU DESCRIBE COMMUNICATIONS BETWEEN MANAGEMENT AND WORKERS AT BROTHER?

    Excellent
    Generally good
    Sometimes good, sometimes bad
    Generally poor
    Very poor

4. PERSONALLY HOW **INFORMED** ARE YOU ABOUT WHAT IS HAPPENING IN THIS FACTORY?

    Very well informed
    Quite well informed
    Sometimes well informed, sometimes not
    Poorly informed
    Very poorly informed

5. THINKING ABOUT WHAT YOUR ARE TOLD BY BROTHER MANAGEMENT, DO YOU NORMALLY BELIEVE THE INFORMATION YOU RECEIVE?

    Always
    Sometimes
    Sometimes yes, sometimes no
    Occasionally
    Never

6. WOULD YOU LIKE TO KNOW MORE ABOUT THINGS IN THE FOLLOWING AREAS?

    What is going on in your Section?
    What is going on in your Division?
    What is going on in the Factory?
    What is going on in Brother UK in general?
    What is going on in Brother Worldwide

    Based on a scale 1-5:   Yes, much more
                            Yes, often
                            Sometimes
                            Not often
                            No never

7. ARE THERE SOME THINGS THAT BROTHER MANAGEMENT ARE PARTICULARLY BAD AT COMMUNICATING?

    Yes
    No
    Don't know

    IF YES PLEASE WRITE DOWN ONE EXAMPLE:

8. ARE THERE SOME THINGS AT WITH BROTHER MANAGEMENT ARE PARTICULARLY GOOD AT COMMUNICATING?

    Yes
    No
    Don't know

    IF YES PLEASE WRITE DOWN ONE EXAMPLE:

9. TO WHAT EXTENT DO YOU THINK MANAGEMENT (INCLUDING SUPERVISORS) **EXPLAIN** WHAT IS GOING ON IN THE COMPANY?

Management explain what is going on in my Section
Management explain what is going on in my Division
Management explain what is going on throughout the whole Factory

Based on a scale 1-5: Never
                     Rarely
                     Sometimes yes,sometimes no
                     Frequently
                     Always

10. TO WHAT EXTENT DO YOU THINK MANAGEMENT (INCLUDING SUPERVISORS) **LISTEN** TO YOUR POINT OF VIEW?

Management listen to the Employee point of view on matters
concerning my Section
Management listed to the Employee point of view of matters
concerning my Division
Management listed to the Employee point of view on all Factory matters
In general does Brother Management appear willing to change their actions to account for the Employee's point of view?

Based on a scale 1-5: Never
                      Rarely
                      Sometimes Yes, Sometimes No
                      Frequently
                      Always

11. DO YOU PERSONALLY FEEL THAT YOU HAVE ENOUGH SAY IN WHAT IS GOING ON IN THE FACTORY?

I have enough say
I would like more say in matters concerning my own job
I would like more say in my Section
I would like more say in my Division
I would like more say in Brother's Factory as a whole

12. ARE THERE ANY PARTICULAR PROBLEMS IN COMMUNICATING
WITH JAPANESE MANAGERS OR ADVISORS?

Yes
No
Don't know

IF YES TO THE ABOVE QUESTION, CAN YOU WRITE DOWN
AN EXAMPLE OF A PROBLEM YOU HAVE EXPERIENCED.

13. THERE ARE LOTS OF WAYS OF IMPROVING COMMUNICATIONS
IN FACTORIES. PLEASE INDICATE YOUR PREFERENCES BY
RANKING OF 1, 2 and 3, etc.

Notice boards
Supervisors giving information in daily briefings
Company newsletter
Video briefings
Company Council meetings
Improvement Teams
General meeting of all staff
Union Shop Stewards giving information

14. BROTHER IS ALWAYS TRYING TO IMPROVE COMMUNICATIONS
WITH ITS STAFF. PLEASE SUGGEST ANY TOPICS THAT YOU
WOULD LIKE MORE INFORMATION ON THE FOLLOWING AREAS

Your Section
Your Division
The Factory as a whole
Brother's Uk operations as a whole
Brother's worldwide operations

15. HERE IS A LIST OF THINGS THAT BROTHER MANAGEMENT
COULD TELL YOU MORE ABOUT. PLEASE TICK HOW
MUCH MORE INFORMATION YOU WOULD LIKE TO RECEIVE.

The products we make
How well we are doing financially
What is happening in Employee-Management relations
New orders for Brother products
What sports and social events are happening
Future prospects for Brother Industries
How other Sections are performing
Who our competitors are and what they are doing
Improving the quality of Brother products

Pay levels and working conditions
Who our customers are and what they expect of us
and our products
Introduction of new technology and products
The Japanese way of managing
Reducing costs and wastage
How employees are appraised and promoted

Based on a scale: Much more
                   A little more
                   Occasionally more
                   I have enough information
                   Not really interested

16. THERE ARE LOTS OF DIFFERENT WAYS FOR GIVING
EMPLOYEES A SAY IN WHAT GOES ON IN THEIR FACTORIES.
PLEASE TICK WHAT YOU THINK OF THESE IDEAS

Working owning a firm and running it themselves
Having elected representatives on a Company
Council
Having worker representatives on a Board of
Directors
Being given a chance to participate in Improvement
Teams
Extending Union negiotations on matters affecting
the whole Factory
A profit sharing scheme for all staff
Being given more information on the future plans
of the firm
Suggestion scheme with rewards for good ideas
Telling supervisors about ways to improve things
A chance to raise questions with top management at
a general meeting with all staff

Based on a scale: Very good idea
                   Good idea
                   Not sure
                   Bad idea
                   Very bad idea

**I WOULD NOW LIKE TO ASK YOU SOME QUESTIONS ABOUT
IMPROVEMENT TEAMS**

17. CAN YOU NAME YOUR CURRENT IMPROVEMENT TEAM
PROJECT?

    Yes
    No
    Unsure

18. WHAT DO YOU THINK IS THE **MAIN PURPOSE** OF
IMPROVEMENT
    TEAMS

    To keep everyone busy
    To allow staff to discuss issues together
    To make improvements in the work area
    To get groups to compete with each other
    To get workers to pass good ideas to Management

19. HOW OFTEN DO YOU ATTEND MEETINGS OF THE
IMPROVEMENT TEAM?

    I attend all meetings
    I attend most meetings
    I attend some meetings
    I attend few meetings
    I never attend meetings

20. HOW MUCH DO YOU PARTICIPATE IN YOUR IMPROVEMENT
TEAM PROJECTS?

    I contribute a lot to the projects
    I contribute quite a lot
    I make some contribution
    I make a little contribution
    I make no contribution

21. HOW EFFECTIVE DO YOU THINK IMPROVEMENT TEAMS ARE
IN IMPROVING YOUR WORK AREA?

    Made a big improvement
    Made some improvement
    Very little improvement
    Made no improvement
    Made the situation worse

22. HOW HAVE IMPROVEMENT TEAMS AFFECTED RELATIONSHIPS AMONGST STAFF IN YOUR AREA?

Made a big improvement
Made some improvement
Very little improvement
Made no improvement
Made the situation worse

23. HOW WOULD YOU SUM UP YOUR OWN INVOLVEMENT IN IMPROVEMENT TEAMS?

I enjoy it a great deal
I enjoy it quite a lot
I sometimes enjoy it, sometimes not
I enjoy it very little
I don't enjoy it at all

I WOULD LIKE YOU TO ANSWER A FEW QUESTIONS ON THE BROTHER COMPANY COUNCIL

24. DO YOU KNOW WHAT THE COMPANY COUNCIL IS?

Yes
No
Unsure

25. DO YOU KNOW WHO YOUR REPRESENTATIVE IS ON THE COMPANY COUNCIL?

Yes
No
Unsure

26. HOW WOULD YOU SAY THE COMPANY COUNCIL IS OPERATING?

Very well
Quite well
Not sure at this time
Quite badly
Very badly

27. IN YOUR OPINION TO WHAT EXTENT DOES YOUR COMPANY
COUNCIL REPRESENTATIVE EXPLAIN WHAT IS DISCUSSED IN
THE COUNCIL ?

    Very often
    Quite often
    Sometimes
    Not very often
    Not at all

28. TO WHAT EXTENT DOES YOUR COMPANY COUNCIL
REPRESENTATIVE SEE THAT YOUR POINT OF VIEW IS HEARD BY
MANAGEMENT ?

    Very often
    Quite often
    Sometimes
    Not very often
    Not at all

29. HOW INTERESTED ARE YOU PERSONALLY IN THE COMPANY
COUNCIL ?

    A great deal
    Quite a lot
    Not bothered
    Very little
    Not at all

30. HOW MUCH INTEREST DO YOU THINK THERE IS AMONG
WORKERS IN YOUR OWN AREA IN THE COMPANY COUNCIL ?

    A great deal
    Quite a lot
    Not bothered
    Very little
    None at all

31. DO YOU MIND TELLING ME IF YOU ARE A MEMBER OF THE
TRADE UNION?

    I am a member
    I am not a member

32. HOW IMPORTANT IS THE UNION TO YOU PERSONALLY?

    Very important
    Quite important
    Not bothered
    Not really important
    Unimportant

33. THINKING ABOUT WORKING FOR BROTHER, HOW **SATISFIED** ARE YOU PERSONALLY WITH THE FOLLOWING:

    Being consulted by Management

    Based on a scale 1-5: Very satisfied
                       Quite satisfied
                       Not bothered
                       Quite dissatisfied
                       Very dissatisfied

34. HOW SHOULD MATTERS BE DECIDED IN THE FOLLOWING SITUATIONS?

    Introducing new technology
    Layout of the factory
    Manning levels
    Working conditions
    Training
    Layoffs
    Overtime levels
    Staff discipline
    Transfer of staff to different sections
    Safety and health matters
    Cycle times on the line
    Quality matters
    Introduction of a new product
    Wages
    Promotion
    Appraisal system
    Bonus payment
    Social and sports events
    Canteen facilities
    Pensions and benefits

Based on a scale 1-5: This should be a matter for
Managers alone
Employees should be informed
Employees should be
consulted
No action until the
employees' agree
Employees themselves should
decide

35. HOW WOULD YOU SUM UP YOUR **IMMEDIATE** SUPERVISOR?

Sees that my point of view is heard by Management
Lets me know what is going on in other factory
areas

Based on a scale 1-5: Always
Often
Not sure
Occasionally
Never

36. WHICH OF EACH OF THESE STATEMENT **BEST** SUMS UP YOUR
FEELINGS ABOUT WORKING FOR BROTHER?

Brother makes you feel you belong
Brother is too strict with workers
Best firm I have worked for
They treat you like a number
Better than the average UK company
Ordinary workers are treated with respect

Based on a scale 1-5: Strongly agree
Agree
Unsure
Disagree
Strongly disgree

37. **FINALLY** ... THERE ARE NO FURTHER SPECIFIC .
QUESTIONS THAT I WOULD LIKE TO ASK. BUT IF YOU WOULD
LIKE TO EXPRESS ANY OPINION ABOUT **ANYTHING AT ALL** IN
YOUR COMPANY PLEASE FEEL FREE TO DO SO USING THE SPACE
BELOW:

APPENDIX B: INTERVIEW SCHEDULES

INTERVIEW SCHEDULE FOR JAPANESE MANAGERS

PHASE 2: 1987 INTERVIEW ROUND

As you may know Brother has given me permission to carry out a survey on staff attitudes on communications and employee consultation. The aim of the survey is to understand the problems associated with managing in different cultures. I am particularly interested in communications between the Japanese managers and the UK managers on the one hand and on the relationships and communications between the British managers and production staff on the other.

Today I would like to ask you some questions on communications and on how the new Joint Consultative Committee is operating. Anything you tell me will be confidential and no names will be used in my report on the findings. The success of this project depends on the cooperation of all those taking part. I am very grateful indeed for your cooperation in conducting this survey. [*domo arigato gozaimashta*]

1. Please would you explain your career background.

2. Could you say something about how you first felt about your assignment to BIUK and your first impressions of working here.

3. What do you think are the main differences in your (job, role, responsibilities) here in the UK compared with Japan?

4. In general what have your impressions been on communications between Japanese managers and UK managers? (PROBE]

5. What do you see as the main problems? (PROMPT: language, style, expectations, social or cultural etc) [PROBE and PRIORITISE]

6. Can you think of any way in which communications might be improved between Japanese managers and UK managers? [PRIORITISE]

7. Turning now to relationships and communications
with shopfloor workers. Do you think there are
particular difficulties managing a British workforce?
(PROMPT: attitude, culture, 'ways of doing things'
EXAMPLES)

Turning now to your views on the way that the British
managers operate.

8. How would you describe communications between UK
managers and UK workers'?

9. What in your view are the main problem areas?

10. Can you think of any way in which communications
might be improved between Japanese/British managers
and workforce?

11. What do you think is the main purpose of the new
Joint Consultative Committee?
>
12. How well do you think it is operating?

13. In Japan there are many ways of involving
workers, such as Quality Circles. Do you think these
types of methods can work in the UK?

Thank you very much for you time and cooperation.

PHASE 3: 1988 INTERIM UPDATE

Thank you for agreeing to talk to me again.

1. Have you had an opportunity to read my summary of
findings on the 1987 situation?

2. If YES: Please could I ask your reactions.
[PROBE]

3. If NO: Outline main findings and repeat question

Questions 4-13 repeated from 1987 Pilot Survey

IF PREVIOUS RESPONDENT: Remind answers to 1987
interview and test reactions to changed situation.

Finally ask about prospects for improving (problem areas) covered in interview.

PHASE 4: 1989 SURVEY

The findings from 1987 and 1988 interviews show that communications are improving only slowly and there are areas where problems remain. I would be grateful if I could ask your views on how the situation has changed since 1988.

Issues raised in 1987 and 1988 interviews schedule repeated.

Additional questions included on expansion and diversification; management re-organisation and newly introduced small group activities programme.

Finally if you were asked to make recommendation to your Managing Director on how to improve communications and employee participation what sorts of things would your proposals include?

PHASE 5: 1990 FINAL SURVEY

Thank you once again for agreeing to talk with me. [GENERAL POLITE QUESTIONS]

My task today is to try to review the situation regarding communications and relationships between Japanese managers and UK managers and between UK managers and shopfloor workers - over the 5 years I have been visiting BIUK.

IF PREVIOUSLY INTERVIEWED: Use completed interview schedules for 'aide-memoire' and prompt.

ADD:

BIUK seem to have developed a 'twin-track' management structure. Explain 'two-team' interpretation. Comments please. [PROBE]

Since 1986 Daily Briefings, Company Council, having a union, introducing Improvement Teams, Company Newsletter. Communications between the UK management

and shopfloor workers have not really improved over these past years (some say it has worsened). Can you help me understand why?

(PROBE FOR EXPLANATIONS)

INTERVIEW SCHEDULE FOR UK MANAGERS

PHASE 2: 1987

REPEAT as for Japanese managers introduction.

REPEAT questions: 1,4,5,6,8,9,10,11,12,13.

In addition:

1. Please explain how you usually communicate with subordinates.

2. What things do you feel are important for you to get across?

3. What, if anything, have you learnt about the Japanese approach to 'people management' and communications? (PROBE: what assistance have you received?)

4. How important do you think it is to give shopfloor workers/office a chance to express their views and get involved?

5. Please explain how you go about this. [PROBE for procedures etc]

6. How interested are ordinary workers in what happens in the factory?

1988 PHASE 3

REPEAT as above in Japanese Interview Schedule

PLUS:

Japanese managers sometimes complain about the 'gap' between workers and UK managers. What are your feelings on this one?

1989 PHASE 4

REPEAT as for Japanese Interview Schedule above

1990 PHASE 5

Review Interview Schedule as above for Japanese
managers interviews.

INTERVIEW SCHEDULES FOR SUPERVISORS AND GROUP LEADERS

PHASE 2: 1987

As you may know BIUK has asked me to conduct a
research project on how staff feel about communication
and consultation practices. The aim of the project is
to gather people's views at various levels and since
the role of the supervisor is important in linking top
management with the shopfloor. I would like to ask
your cooperation with the investigation. All the
information is confidential. The Company have asked
me to compile a report on my finding but no names will
be used in it. I am grateful for your help in talking
with me.

Preliminary questions on background, education,
career, motivation, etc.

1.   In general how would you describe communication
between management and workers in Brother?

2.   Are there some things that you find management are
bad at communicating?

3.   Which things do management communicate well?

4.   Are you personally well informed as a supervisor?

5.   How do you get to know what is happening – section
and factory levels?

6.   What sorts of things would you like to know more
about at different levels? (sectional, line, division,
factory wide, Company UK and world-wide)

7.   Do you feel that management listens to your point
of view regularly?

8. How do you find your relationship with Japanese managers generally? (PROBE: particular differences compared with UK managers or difficuties)

9. What sort of things can you learn from the Japanese? (PROMPT: what help or training have you received?)

10. How would you say the new Joint Consultative Committee was operating? (PROBE for explanation)

11. What do you see as the main purpose of such consultative machinery?

12. Is a consultative committee the best way of communicating with the workforce? (PROBE why)

13. How much interest is there by workers in your own section in the consultation and communication system?

14. What can the Company provide for you that would make you more effective as a supervisor? (PROMPT training skills etc)

15. Are you generally satisfied working for BIUK?

NB. In 1988, 1989 and 1990 a similar interview schedule was used which updated supervisors' views on communications and consultation using similar questions as an 'aide- memoire' provided by the previous year's interview notes. Questions on the introduction and subsequent operation of small group activities were added for the 1989 and 1990 surveys.

INTERVIEW SCHEDULE FOR COMPANY COUNCIL REPRESENTATIVES/SHOP STEWARDS

PHASE 2: 1987

Interviews with employee representatives were divided into an informal first stage which was completely open ended followed by a formal stage where questions from a draft pilot questionnaire were shown on cards. The open ended stage included general questions on the experience of work itself, contact with Japanese and British managers and general state of communications.

This strategy served two purposes. First to gain the confidence of the youthful representatives and secondly, to test the dimensions that were planned to be included in the first pilot questionnaire. (See Chapter 3 on Research Methodology)

The 1988, 1989 and 1990 phases used a semi-structured interview schedule which was extended in 1989 to cover new developments notably union recognition and small group activities. The same retrospective 'aide-memoire' technique devised for Japanese managers, UK managers and supervisors was also used for employee representatives and shop stewards to better understand the change processes involved. The main areas covered were as follows:

1. Current state of communications with management.

2. Changes since previous interview. (PROBE reasons for change)

3. Which areas/topics were management particularly bad at communicating? (PLEASE GIVE EXAMPLES)

4. Areas that management were particularly good at communicating. (PLEASE GIVE EXAMPLES)

5. Do you usually believe the information that management tell you?

6. How satisfied are you with the timing of information that management give you?

7. Are you generally well informed? IF NOT, please explain what is going wrong.

8. IF NOT SATISFIED with management information/communications systems - how do you find out about what is going on?

9. Thinking about communications on a day to day basis, are there any differences between UK and Japanese managers that spring to mind?

Turning now to the Company Council:

10. How is the Council currently operating?

11. Can you explain why you feel (as in comment 9 above)?

12. Are there matters which should be discussed in the Council which are not at the moment?

13. What do you see as the main purpose of the Company Council? (PROMPT: discussion only or decision making, consultation or negotiation)

14. How much interest is there in the Council in your own section?

(PROMPT: to what extent do workers in your area raise issues and questions for you to take up with the Council?)

15. Please talk me through how you normally operate as a rep'.

(PROMPT: two-way information channel, representative or delegate etc)

16. How could you be more effective as a representative?

17. You now have the union to represent you. Can you tell me how this has affected things generally?

(PROMPT: level of membership, interest on shopfloor/office, any problems with dual representation on Company Council?)

Turning now to Group Activities/Improvement Teams

18. What has been the reaction to these groups amongst the people you represent?

19. What are your own feelings?

20. Looking back over the past few years how would you sum up the situation in the Company now? (PROMPT: morale, satisfaction, staff turnover?)