



# CENTRE STAGE

Giving employees a voice can boost engagement and productivity.

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Over the past 50 years trade union membership in Australia has dropped dramatically, from a peak of 61 per cent in 1961 to just 18 per cent today, with a low of 13 per cent in the private sector. This massive structural change in our industrial relations landscape poses a fundamental problem for Australian society. Without unions, how are the needs and ideas of employees being heard? This is the question being investigated by a large three-year project funded by the Australian Research Council titled “Employee voice in Australia: The impact of employee participation arrangements on organisational performance, employee engagement and employee wellbeing”.

Researchers at Macquarie University and Griffith University, partnering with employee-survey specialists Voice Project, are investigating the methods, costs and benefits of what is called ‘non-union collective voice’. Voice can be either pro-active (providing ideas for improving systems and processes, for example, continuous improvement programs and employee surveys) or they can be restorative (solving existing problems, often of a personal or interpersonal nature, for example, grievance processes and mediation). The researchers and consultants want to

better understand issues such as: In what ways are different companies and industries harnessing employee voice and responding to employee needs? What are the costs and challenges in implementing these different methods? Do the returns of voice, such as greater engagement and innovation, outweigh the costs? Ultimately, what does best practice look like?

In the project, voice is defined as the means to communicate, consult and influence decision-making in organisations. The effectiveness of voice is dependent on more than just formal structures for communication. It is also driven by the culture organisations have for voice. Are people encouraged to speak up? Are they rewarded or punished for doing so? Do workers feel confident? Are employee opinions

regarded as a welcome and useful source of information that result in actual change?

Managers tend to tightly protect and control decision-making capability. Involving staff can be a big challenge for those who are used to directing rather than listening, which requires taking on a supportive role and giving up some authority. It also requires more time and people skills than simply making autonomous decisions, and sometimes means managers get feedback they may not want to hear. However, current research suggests the benefits to organisations may be substantial if managers can loosen their desire for control and are able to avoid the natural tendency to be defensive when faced with feedback suggesting areas for improvement.

The potential returns and value from employee voice for organisations come from harnessing the hearts and minds of their employees for greater organisational performance.

With regard to harnessing “heart”, being able to voice opinions and influence decision-making is one of the strongest drivers of employee engagement. Drawing upon a database of more than 2000 organisations, Voice Project found that high-voice organisations (defined as those organisations

in the top quartile on employee involvement) substantially outperformed low-voice organisations (those in the lowest quartile of involvement) on many work practices including employee engagement, trust in leadership, managing change, and cross-unit cooperation.

The benefits have not been lost on policy makers. For example, the UK government has estimated that the equivalent of \$40 billion dollars is wasted each year in lost productivity because of their huge deficit in employee engagement. In response, they established a national employee engagement task force, and launched the 'Engage for Success' movement (see [www.engageforsuccess.org](http://www.engageforsuccess.org)). After examining the empirical evidence, they emphasised employee voice as one of four primary enablers to improve employee engagement.

With regard to harnessing mind, enabling employee voice may encourage

a freer flow of ideas and knowledge from front-line and mid-level staff, resulting in better problem-solving, greater innovation, and more effective safety processes and quality systems. For staff, this also means greater perceived fairness of decisions, and improved recognition of their contributions.

Despite the benefits, employees consistently rate the extent of employee voice as one of the aspects of work they are least satisfied with. The aim of this voice research is to empirically demonstrate the positive impact of employee voice, recognise the costs and challenges of voice, and provide practical examples of how organisations can implement better voice strategies and culture to improve their organisations – for employers and employees. **HRm**

*Written by Dr Louise Parkes and Dr Peter Langford of the Voice Project, and Prof Paul Gollan and Cathy Xu of Macquarie University.*



## CASE STUDY: CEREBRAL PALSY ALLIANCE

Cerebral Palsy Alliance (CPA) is a not-for-profit organisation providing services to people with cerebral palsy and their families. They have achieved consistently high engagement scores in their employee surveys for more than 10 years. To identify how they have achieved these high results, Voice Project researchers conducted in-depth interviews with a wide range of employees and managers.

A strong theme was that top management, including the executives, CEO and the board of directors, was genuinely interested in listening and responding to employees' and clients' perceptions and opinions. In addition to regular employee and

client surveys, CPA developed online and physical mechanisms for voice when they recently rebuilt their headquarters. Their interactive online forum called the 'innovation hub' helps them listen to staff and clients and has a focus on continuous improvement. Key questions or campaigns (such as those identified in their surveys) are raised for discussion and changed every three months.

In order to provide a safe forum, all posts are screened before being made public. CPA has a structured process and system for regularly evaluating the ideas that come through their hub. A cross-functional, cross-level team meets regularly to discuss and assess ideas on agreed criteria. Everyone

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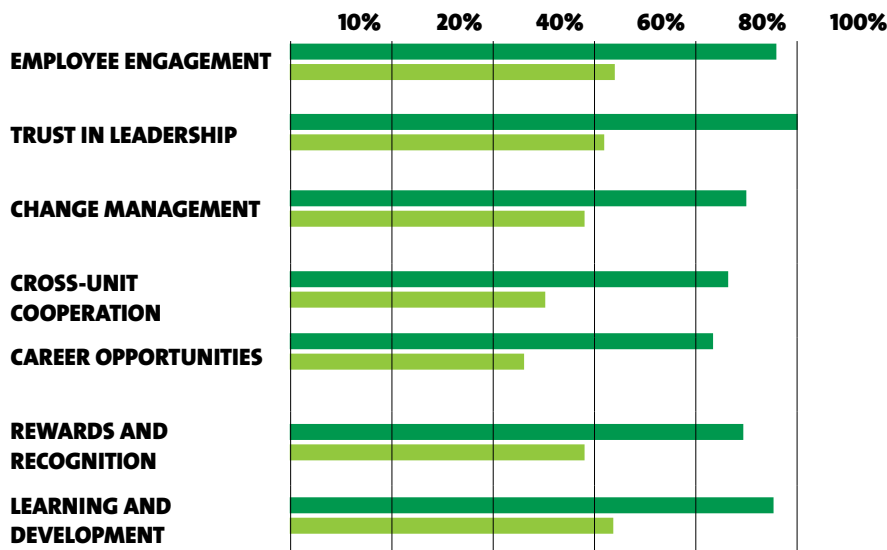
gets feedback on their idea, including those not implemented.

CPA has also built a physical space dedicated to "voice" and innovative thinking. The glass-walled space is open and light, and furnished with colourful chairs, lounges and tables. It plays host to regular events and meetings to develop innovative solutions to problems. Beyond its practical benefits, the space is also highly symbolic, reinforcing a culture in which voice is encouraged and supported.



### EMPLOYEE SURVEY SCORES FOR HIGH-VOICE AND LOW-VOICE ORGANISATIONS

HIGH-VOICE ORGANISATIONS  
LOW-VOICE ORGANISATIONS



## CASE STUDY: RESMED

When employee involvement in decision-making emerged as a key priority for improvement at ResMed, a developer of products for the diagnosis and treatment of sleep-disordered breathing, Andrew Cameron, head of manufacturing in the Patient Interface Unit, took on the challenge. Cameron publicly committed to listening to and acting on what his employees had to say.

He asked each employee to come up with one suggestion to improve their workplace that could be implemented within a year. The aim was to “aid in efficiencies, as well as make it an easier and more enjoyable place to work”. The organisation’s

vision and direction were communicated so employees had the structure and information needed for decision-making. Within two weeks all 200 employees had put forward an idea. A team of employees evaluated the ideas, ensuring decisions were communicated back to the employees.

“Within three months we had actually implemented all 200 ideas. It was mind-blowing. We won the COO Continuous Improvement Award.” The enthusiasm generated among staff resulted in ideas being suggested daily. In six months, their unit achieved savings of \$500,000. “It wasn’t so much the money that was motivating,

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For a video of this case study, search YouTube for “ResMed case study Voice Project”.