Our (not so?) modern workplace

A common, perhaps fashionable piece of received wisdom among employers is that alternative workplace practices and “new” human resource management practices that emerged during the 1980s are good for both the worker and production. Although a number of studies have investigated alternative workplace practices either alone or in combination with selected human resource management practices, little attention has been paid to human resource management practices as a whole. To close this gap, John Godard addresses the latter in his article “What Is Best for Workers? The Implications of Workplace and Human Resource Management Practices Revisited” (Industrial Relations, July 2010, pp. 466–88).

In a sample of 750 employed non-Quebecker Canadians, 253 of whom were unionized, Godard found that new human resource management practices, including hiring on the basis of the candidate’s “values,” training in social and team skills, development, active career planning, and continuous learning, had contradictory effects (producing both more stress and more job satisfaction, $p < .1$) or no effect on selected characteristics of workers. By contrast, traditional human resource management practices, including complex job classifications, hiring on the basis of the candidate’s skills, a formal orientation session, job–based technical training, internal job ladders with advancement and pay based on seniority, formal grievance systems, and good benefits, were found to produce less stress, less fatigue, less of a sense of management coercion, more empowerment, more job satisfaction, and more commitment to the supervisor (all with $p < .01$) in workers. Alternative workplace practices, including autonomous or semiautonomous teamwork, cross–training, job rotation, information sharing, and pay for performance, had little effect on any of the selected characteristics, except for empowerment.

So, what follows from these results? The chief finding of the study is that alternative workplace practices may not improve the quality of worklife as much as they are thought to (if they do at all). Traditional human resource management practices appear to be far more important in that regard, and new human resource management practices may actually be detrimental to the quality of worklife. Traditional human resource management practices (and concomitant traditional workplace practices), according to Godard, “may be integral to the quality of working life, providing rules and protections that ensure the fair and equitable exercise of authority” (p. 476).

To get a sense of just how important these traditional practices may be, Godard calculations indicate that a workplace’s becoming more traditional could result in as much as 9 percent less stress and 17 percent more job satisfaction. Corresponding shifts in alternative workplace practices and new human resource management practices yielded considerably smaller percent changes in the worker characteristics of interest.

A further regression was carried out to measure the effects of union membership. The regression indicated that alternative workplace practices make little difference to quality of worklife unless they are participatory (that is, provide for informational meetings or briefings for workers; conduct quality circles, in which workers discuss quality or workflow issues; and establish a steering committee, in which formally elected or appointed workers meet with managers to discuss the issues that arise in the quality circles) and are backed up by union representation. In that case alone, the effects of alternative workplace practices may be comparable to those of traditional human resource management practices.

On the purely statistical side, further regressions indicated that the failure to include a full array of human resource management practices in exploring the implications of alternative workplace practices could result in specification error, biasing coefficients upward. Thus, care must be taken to include the full array of human resource management practices in conducting such studies. Regressions carried out for selection error did not significantly alter the results, ruling out that kind of error.

Finally, parallel regressions on a sample of 450 workers in the United Kingdom indicated that Godard’s results are not generalizable to that country, and a comparison with an earlier (1998) study suggested that workers adjust to alternative workplace practices over time, muting their negative effects somewhat. (No conclusions could be drawn about workers’ reactions to new human resource management practices because they were not examined in the earlier study.) In sum, Godard’s research indicates that the implications of various workplace practices are institutionally conditioned across countries and that, in the long run, workers gradually adapt to those practices, being beneficial or detrimental.