**SPEAK UP, WE CAN’T HEAR YOU:**

**GRIEVANCE RESOLUTION PRACTICES IN SMALL FIRMS**

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Introduction

It has been suggested that workers in small firms are unable to identify and voice grievances because this represents too great a threat to their position in a workplace, where trade union representation is unlikely (Moore and Read 2006). Workers are, as a result, more likely to use exit (Hirschman 1970) as a means of resolving workplace problems. It has also been held that small firms use high levels of informality when dealing with HRM issues (Ram 1991) and are ‘less likely to invest in formal HRM practices’ (Bartram 2005:142).

This research compares grievance processing in two groups of small firms in the United Kingdom: veterinary practices and horse racing stables. Veterinary practices are non-union workplaces. However, veterinary nurses can turn for help to the industrial relations service of their professional body, the British Veterinary Nursing Association (BVNA). By contrast, in racing stables the National Association of Stable Staff (NASS) is a trade union recognised for collective bargaining purposes which offers individual representation in workplace disputes.

This paper presents data from the first phase of the research, namely the ways in which workers in SMEs use individual voice, through formal or informal channels, to resolve workplace grievances. The second stage of the research considers the degree to which workers use collective means to address workplace problems and will be reported later in 2012.

Over a 12 month period from 2010-2011, it was found that both NASS and BVNA dealt with a wide variety of grievances, from a simple issue of notice pay to complex cases involving a worker trying to uphold a number of different employment rights. The research demonstrates that workers in these small firms regularly make use of a range of mechanisms to resolve workplace disputes.

Context

As set out in Table 1, we can see that both veterinary nurses and stable staff are employed in a large of number of small firms across the United Kingdom. The typical employment size of the employer is in the range <10 staff to <20 staff, so we are looking at very small organisations. However, in both cases, these workers do not operate in a vacuum, atomised from each other. The BVNA holds an annual professional conference attended by nursing staff from across the UK and also offers regular, regionally based, Continuing Professional Development meetings which bring nurses together across organisational boundaries.

A similar situation exists for racing staff, but inter-stables communication happens quite differently. While the NASS does hold an annual general meeting of the union which theoretically all members may attend, in fact this is a small gathering of committed trade union activists. However, the union has established a structure of regional committees based in the regional racing centres around the UK. More significantly, with the pattern of race meetings across the country, seven days a week, year round, there are plenty of opportunities for stable staff to meet across organisational boundaries. In my earlier research (Miller 2010) it was clear that the staff canteen at race courses was used as a means of exchanging information between workers.

Table 1 - Veterinary nurses and stable staff

|  |  |
| --- | --- |
| **Veterinary nurses** | **Stable Staff** |
|  |  |
| 10,069 nurses in UK veterinary practices (RCVS 2012) | 4000 stable staff in 2010 in UK racing stables (BHA 2011) |
| Employed in 5272 Vet practices | Employed in 570 racing stables |
| Practices range from 1-20 Veterinary nurses, majority employ under 10 staff | Stables range from 1-70+ staff, majority employ under 20 staff |

A second point to make is that in each industry, workers are bound together by a common labour process. In veterinary nursing this is the provision of care to sick animals and preventative care to healthy ones. In racing, the labour process is

Table 2 - Voice mechanisms for veterinary staff and stable staff

|  |  |
| --- | --- |
| **Veterinary nurses** | **Stable staff** |
|  |  |
| Members of the British Veterinary Nursing Association (BVNA) – 90% nurses are members | TGWU from 1920s-1975; Stable Lads Association 1975-2006; National Association of Stable Staff (NASS) 2007-present (50% membership density) |
| BVNA is a professional body | NASS is a registered t.u., affiliated to TUC; two full time officers plus three regional industrial relations co-ordinators |
| Provides an industrial relations/legal helpline to give advice; no individual representation | Collective bargaining through National Joint Council for Stable Staff; individual representation; legal advice and representation (ET and personal injury) |

bound to the production of trained racehorses. Stable staff have been found to be an occupational group (Filby 1983) with a common occupational culture and it is not unreasonable to suggest that the same pertains to veterinary nurses.

It is important, however, to note a key difference between racing stables and veterinary practices with regards to industrial relations arrangements. As shown in Table 2, stable staff have been collectively organised, with pay governed by collective bargaining, since the 1920s. From 1920-1975 they were members of the Transport and General Workers Union (TGWU), with collective bargaining focused on different racing centres, for example Newmarket and Lambourn. From 1975-2006, after derecognition of the TGWU in 1976, they were deemed to be members of the Stable Lads’ Association (SLA), an employer-controlled body. From 2006-the present, the National Association of Stable Staff has taken on the job of representing stable staff, including through the National Joint Council for Stable Staff. (For a fuller discussion of the history of voice mechanisms in racing stables, see Miller 2010).

By contrast, veterinary nurses have no collective union representation, since the BVNA is a professional body and there is no collective bargaining agreement. However, the BVNA does contract with an HR consultancy to provide a legal helpline for members in employment difficulties. This helpline will 'talk members through' a difficult employment situation and provide them with advice on how to resolve a situation. However, it does not provide individual representation, nurses have to process matters at the workplace as individuals.

Nevertheless, Table 3 shows quite clearly that the articulation of individual grievances in veterinary practices and racing stables had a measure of congruence with the findings of the Workplace Employment Relations Survey, a large scale study of industrial relations which now produces a separate report on the small firms sector (Forth et al 2006).

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|  |  |  |  |
| --- | --- | --- | --- |
| **Problem** | **WERS 2004** | **BVNA helpline** | **NASS Head Office** |
|  |  |  |  |
| Pay and conditions | 16% | 61% | 47% |
| Relations with supervisor (inc grievance and discipline) | 9% | 7% | 19% |
| Working time | 7% | 15% | 17% |
| Health and safety | 7% | 7% | 10% |
| Bullying | Not recorded | 23% | 3% |

While the types of issue being raised bore similarities, the differences lie in the degree to which nurses and stable staff were prepared to raise issues, for example pay and conditions and working time were obviously highly contested.

Researching employee voice in the small firm

The research project focuses on two aspects of voice and locates these in the small firm. These are individual voice, formal or informal, and collective voice, through formal or informal means, with or without a trade union. The following four research objectives were adopted in order to operationalise relevant theory:

* When do SME workers use individual voice, formally or informally, to resolve individual workplace problems?
* When do they opt to use union voice to resolve individual problems through formal mechanisms?
* What problems do they see as collective amongst the workforce?
* What are the restraints to resolving problems collectively?

Implicit in these four objectives was the potential for workers to use exit as a further means of expressing dissatisfaction (Hirschman 1970; Ryan 2005) if problems were not addressed or resolved.

Dundon et al (1999) note lack of studies of union organisation in small firms. However, Marlow and Patten (2002:529) point out that 'Ascertaining the views of small firm employees offers particular challenges to researchers' and so it proved in this project. Taking Ram’s (1999) suggestion that a range of research interventions should be adopted in the small firms setting, such as face to face interviews; attendance at company meetings; and scrutinising company documents, a number of data collection techniques were used, namely focus group interviews; individual semi-structured interviews; and an on-line questionnaire. Access to stable staff and their union was greatly facilitated by the fact that I had been undertaking research in the industry for some ten years. Access to veterinary nurses proved more difficult to secure as I was effectively starting out again in a new industry, reflecting some of the difficulties discussed by Beynon (1988). However, in both cases I was immeasurably helped by the BVNA and the NASS who are very supportive of the research project.

Turning to each group of workers in turn and looking at gender and other attributes, stable staff respondents were split 50/50 male and female, while veterinary nurse respondents were overwhelmingly female, some 97%. The majority of both groups of respondents fell within the age bands 25-34 years and 35-44 years. In racing size of workplace expressed through numbers of employees ranged from 1 to 13 members of staff, while the size of veterinary practices ranged from 1-40 members of staff. Seventy-two percent of practices could be classed as micro-firms, ie under 10 employees, while 60% of racing yards were micro-firms. Size of workplace, especially extremely small workplaces, has been regarded as relevant to the degree to which employees are able and/or willing to speak out.

Voice and the small firm

The origins of voice as a concept are founded in Hirschman’s (1970) work on exit, voice and loyalty amongst customers but he observed that these concepts could be extended to organisations which supply membership services, such as trade unions and political parties. Hirschman defined voice as any attempt to bring about change within an organisation, rather than leave. More recently, the concept of voice has been taken up in the HRM literature, reflecting the rise in non-union workplaces and concern at how and whether workers are able to voice issues of concern and secure effective resolution of workplace difficulties. However, it has been found that ‘there is no consensus definition of employee voice’ (Dundon et al 2006:493) and it is proposed that that ‘in simple terms employee voice can be described as methods that provide for employees to have a say in matters that affect them’ (Dundon and Rollinson 2004:52).

The definition of voice has been further refined, to reflect the variety of organisational settings in which voice may (or may not) be found: union voice; non-union voice; individual voice; collective voice; direct voice. Dundon et al (2004:1152) who propose four meanings of voice which are the articulation of individual dissatisfaction; the expression of collective organisation; a contribution to management decision making; the demonstration of mutuality and cooperation between employers and workers. This study uses two of the four meanings proposed by Dundon et al (ibid):

* voice as the articulation of individual dissatisfaction
* voice as a demonstration of collective organisation

However, it must be pointed out that much of the literature presupposes some formality about voice mechanisms. For example, Bryson et al (2006:439) regard voice as ‘any formal mechanism by which workers can communicate their views to management', while Dundon et al (2006:502) identify different company methods for voice which include newsletters, meetings, focus groups, individual appraisal, negotiation and collective bargaining. In addition, while some research has concerned itself with the non-union environment (Dundon et al 2005), it must be noted that many studies have been undertaken in union and non-union environments in much larger firms than those under consideration in this paper.

Drawing on these studies of a variety of voice arrangements in large organisations, we now turn to the discussion of voice in the small firms sector, where the evidence often points to the fact that workers lack access to union voice, as found by Marlow and Patten 2002. Workers thus may only be able to use exit (Hirschman 1970) from the organisation to express their dissatisfaction when grievances go unresolved. Ryan (2005:211) goes further in suggesting that ‘workers, who file grievances *because they want more say* in workplace decisions, are more likely to exit where voice is denied, ignored or rejected’.

There is, however, a problem with the literature since it mainly draws on research in large organisations, far less attention has been paid to voice in the small firm (Ryan 2005). While it is true to say that interest in industrial relations in the small firm expanded in the late 1990s in the UK, the research preoccupations of HRM move on. One notable and recent study is that of the SMALL project, funded by the EU, which looked at representation and voice in SMEs in a number of European countries (Bouquin et al 2007). This study looked at the difficulties faced by unions in organising small firm workers, finding that union membership density is low across SMEs in Europe and that unions face barriers to recruitment such as informal, familial and individualised employment relationships. Against this background, workers did not turn to their right to be supported by a union and generally did not believe that formal representation of this type would be appropriate in their small workplace. Owner-managers of SMEs were generally opposed to union organisation.

Dundon et al (2006) find that small firms utilise organic and informal flows of information, perhaps reflecting the work of Marlow and Patten (2002:29) who found a lack of union voice or formal channels in small firms for workers to articulate grievances. In their study of collective organisation and mobilisation in small and medium sized enterprises, Moore and Read (2006) point to the lack of attention t91employee voice in the small firms’ literature. Their research further confirms the use of exit over voice amongst workers in this sector, citing proximitous working relationships with managers and proprietors as a barrier to greater trade union organisation. Workers are unable to identify and voice grievances because this represents too great a threat to their position in the workplace; in turn this inhibits the mobilization of workers around grievances (Kelly 1998) and collective identification between workers, which may lead to trade union organisation.

Individual voice, formal means

It must be remarked that much of the research on voice has been undertaken in large organisations, with high levels of formality and structure. Here it was found that a large range of top down, management initiated voice mechanisms had developed but that there was still little evidence of well-developed employer ‘strategies’ for the provision of voice mechanisms (Wilkinson and Fay 2007). The type of provisions ranged from staff appraisal systems, through suggestion schemes and attitude surveys, to company councils. It should also be noted that in some instances, voice mechanisms had been adopted in order to circumvent or repel trade unions. Benson (2000) for example records a higher frequency of voice mechanisms in union active workplaces but asks whether this is because of collective consciousness or because of management trying to ‘recapture’ employees by undermining union voice. In other organisations, it was held that the increase of voice mechanisms reflected the decline of trade union membership and recognition in the UK as well as more widely in Europe (Bouquin et al 2007).

Small organisations, as has been noted by Ram (1991) and by Dundon et al (2006), are often much more informal in their HRM practices and often do not have an extensive management structure in which voice practices may become embedded (Wilkinson and Fay 2011). This was certainly reflected in racing stables and veterinary practices and there was no evidence of formalised mechanisms in which individual workers could voice individual problems. In the small firms’ literature, specifically, managers often regard informal voice mechanisms, such as the ‘open door policy’ as more appropriate. This is said to be a satisfactory product of the close and more harmonious working situation deemed to be present. It was said by one respondent that in racing:

‘Some trainers have a genuine open door policy, but not enough’

But the same respondent also went to say that his colleagues suffered a more general problem from the lack of management structure at the level of individual workplaces. He pointed to insufficient management training of first line supervisors (Head Lads/Lasses) which meant that problems were often not properly addressed, even when a worker had the courage to raise them. Moreover, he cited ‘jealousies’ from first line supervisors towards their subordinates in these terms:

‘I was treated badly when I was basic worker, why should I treat you any

differently?’

This last comment was seen as symptomatic of cultural problems within racing stables which often still treat workers as ‘lucky’ to have a job working with the horses that they love. Attitudes were very ‘traditional’ and staff could be intimidated by their managers, particularly through horse welfare and the threat that a good horse could be taken away from an individual worker if s/he did not cooperate.

However, voice mechanisms in a non-union workplace may be the ‘hollow shell’ analogy put forward by Dundon et al (2005); the mechanism exists but has no substance. This was also found by Moore and Read (2006) in their study of mobilisation in small firms.

There have, however, been two occasions when the industry has tried to address recruitment and retention problems which included an opportunity for individual workers to respond anonymously to questionnaire surveys regarding workplace issues. In 2000, I was commissioned to undertake a survey of working practices in Flat racing (Winters 2000) and a further, industry-wide study was undertaken in 2003 (BHB 2004) known as the Donoughue report. In both cases it was clear that individual workers have a range of unresolved grievances, particularly regarding pay, working conditions and bullying and that the workers’ association, the Stable Lads’ Association, was doing little to address these, either collectively or with individuals.

Individual voice informal means

This section considers situations where individual veterinary nurses and stable staff attempt to resolve issues by themselves, without a third party to speak up for them. Here the evidence challenged the findings of Moore and Read (2006) since it was clear that in both cases individual workers had tried to resolve workplace problems by themselves, without any formal mechanism for doing this.

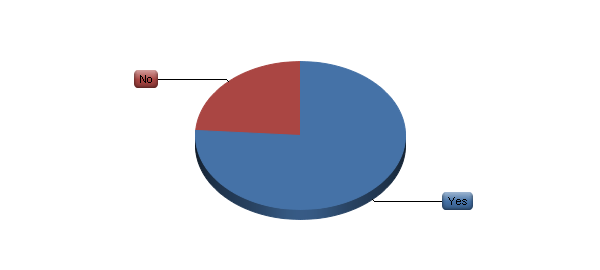


Figure ? Have you tried to resolve any workplace problems on your own (BVNA)

76% of veterinary nurse respondents had tried to resolve problems alone, without formal mechanisms, achieving a range of outcomes. Respondents commented as follows:

Excessive hours - ‘I had to live with the problem, my employer threatened to sack me if I took it further’

Communications issues – ‘Successfully resolved’

Favouritism – ‘Not resolved, hostility remained. I left’

62% of respondents did not know whether the BVNA helpline could have helped get a better outcome; 31% definitely no; 7% said yes.

One Senior Veterinary Nurse Respondent did say that:

We need individual representation as the employment relationship is too personal for individuals to resolve problems on their own

reflecting one aspect of the employment relationship in small firms that is often claimed to be a positive, the intimate nature of working in a small business.

In racing, 50% of respondents have tried to resolve problems alone, without formal mechanism.

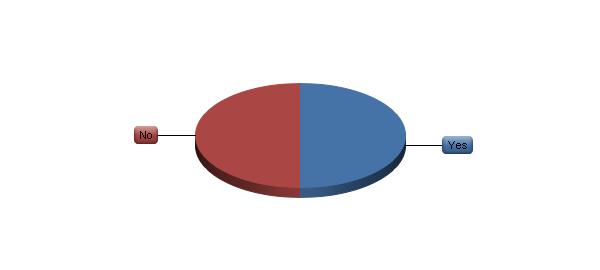


Figure ? Have you tried to resolve any workplace problems on your own (NASS)

Here problems had not been resolved to the workers’ satisfaction. Respondents commented as follows:

Bullying – ‘I still get bullied’

Overtime and weekend working – ‘I get fobbed off with empty promises’

67% said that, on reflection, NASS could have helped get a better outcome and that formal voice was needed. Dundon and Gollan (2007:1194) find that the effectiveness of non-union voice channels is ‘questionable’. The evidence here goes further and supports Butler’s view (2005) that non-representative voice is ineffective.

However, there is no evidence of formalisation at the workplace level round matters of grievance, despite the fact that there is a grievance procedure contained in the national collective bargaining agreement.

This begs the question of how effectiveness may be measured and from whose perspective. In their report on small firms surveyed in WERS 2004, Forth et al (2006:50) state that ‘direct methods of communication may have a better fit than representative forms of voice’. This begs the question ‘better for whom’ as the evidence from veterinary practices and racing stables offered a different perspective on the validity of representative voice in these small firms.

Exit as an expression of voice

Dundon and Gollan (2007:1182) note that increasingly ‘individual employees have to engage directly with their manager’ or turn to third parties such as the Citizens’ Advice Bureau, since trade union mechanisms do not exist for many workers. Nevertheless, where voice is heard and acted upon by managers, to the worker’s satisfaction, it will serve as an alternative to exit from that job or that organisation.

Wilkinson et al (2007) find that employees in small firms are more likely to use exit over voice as voicing grievances represented a threat to the individual worker. It is plain that in some circumstances workers in racing and veterinary nursing will use exit as a marginal protest, moving between small firms in the same sector where they are just as likely to encounter the same management practices (Miller 2010). This is because of their overwhelming desire to undertake that form of work. Using Hirschman’s terminology, there is a bond of loyalty but it is not necessarily to individual employers.

Smith (2006) considers exit within the context of the labour process and notes that exit has been regarded as incapable of changing the labour process and thus as an inferior mechanism to voice. He argues that, in certain circumstances, the mere threat of exit may have the effect of bringing about improvements in the wage-effort bargain, though there is insufficient evidence to be conclusive about this effect. However, the position for many workers in small firms is that they have no effective alternative. In a study of the Information and Consultation Regulations in small firms, Wilkinson et al (2007:1283) find that ‘in small firms employees are less likely to trigger the process [of information and consultation] and may exit rather than try to seek voice’. Ryan (2005:210) argues such procedures are often seen as ‘a vehicle for whingers and moaners to cause trouble’. He argues that workers who file grievances are more likely to use exit in small firms, when voice is ignored or denied. He defines exit as ‘physical’ (resigning or absenteeism) or ‘mental’ (lack of enthusiasm for job, daydreaming on the job).

Conclusions

This paper has presented the preliminary findings of a study of worker voice in the small firm. It has found that drawing comparisions with voice research in large firms remains problematic. Here size does matter to the extent that there is a lack of structure or uptake of voice practices such as attitude surveys, suggestion schemes, staff briefings. Nor is there extensive research on voice practices in the SME sector with which comparisons could be more appropriately made.

In this study, the evidence points to the problems that workers find in expressing voice, but it does not suggest that workers will choose exit over voice. I argue that this is because of the distinct nature of the labour process and the desire of both groups of workers to work with animals.

Nevertheless, the range of unresolved grievances does beg the question why workers do not feel encouraged to mobilise in order to pursue their demands through trade union representation. This aspect of the research will be discussed in a forthcoming article.

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