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Democratic Organizations and Working Cultures

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The Spillover Hypothesis

(Carole Pateman, 1970, following J.J. Rousseau, J.S. Mill, C. Cole; Spreitzer, 2007)

Democratic participation in the enterprise



Experience of political efficacy (educative effect)



Employees' political engagement and active citizenship behaviors at the workplace and in civil society

Moral atmosphere

Power, Higgins, & Kohlberg (1989, p.102) identified the following conditions for socio-moral growth:

- (1) “Open discussion with a focus on fairness and morality”,
- (2) “Cognitive conflict stimulated by exposure to different points of view and higher-stage reasoning”
- (3) “Participation in rule making and the exercise of power and responsibility”, and
- (4) “The development of community at a high stage”.

Def.: Socio-moral atmosphere (= Climate)

(Weber, Unterrainer & Höge, 2008; following Lempert, 1994)

Socio-moral atmosphere represents specific features of organisational structure, rules, and practices: communication, teamwork, collective problem-solving, decision-making as well as leadership.

→ a field of socialisation for the further-development of prosocial, democratic, and moral orientations.

➔ **SocioMoralAtmosphere – screening scale**

ORGANIZAZIONAL CLIMATE

➤ **Socio-moral Atmosphere**

◆ **Fostering potentials for moral socialization within work and education** (Weber et al., 2008; cf. Power & al., Lempert, 1994):

(1) Involvement in social problems and conflicts of interests, rules, norms and values

(2) Reliable appreciation, care and recognition

(3/4) Free communication and participative cooperation (application and legitimacy of organizational norms, values and principles)

(5) Trust-based assignment/allocation of responsibility for the well-being of others

◆ org **ODEM I**: Development of a **screening method** (16 Items, $r_{\alpha} = .90$, **N=542** (ODEM, 2008);

◆ ICC (3, k): 0.64 to 0.94 (26 organizations)

0.41 to 0.46 (4 org.); < 0.4 (4.)

ODEM II

**Forschungsprojekt Organisationale Demokratie - Analyse
des Soziomoralischen Ressourcenpotentials in
Unternehmen**

**Leopold-Franzens-Universität Innsbruck · Institut für
Psychologie**

**Fragebogen zur Analyse der
soziomoralischen
Atmosphäre
(SoMoA)
Version 3.0**

Dokumentation der Skalen

**Wolfgang G. Weber
Armin Pircher Verdorfer
Sarah Seyr**

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➔ **Feature**

◆ **ODEM II (2007/2008): Development and Validation of of a Questionnaire (N = 532 Arbeitende)**

◆ **SoMoA - Version 3.0 (Weber, Pircher-Verdorfer & Seyr, 2010), 42 Items**

ORGANIZATIONAL CLIMATE

➤ **Socio-moral Atmosphere**

- (1) Involvement in **social problems and conflicts of interests, rules, norms and values** (9 Items) $r_{\alpha} = .91$
- (2) Reliable **appreciation, care, and recognition** (7 Items) $r_{\alpha} = .88$
- (3) **Free communication and cooperative decision-making**, especially on the application and legitimacy of the company's **norms, values and principles** (11 Items) $r_{\alpha} = .92$
- (4) Trust-based **assignment / allocation of responsibility for the well-being of others** (8 Items) $r_{\alpha} = .79$
- (5) **Organizational support** (7 Items) $r_{\alpha} = .88$

Democratic type of enterprises	Enterprises (n = 30)	Participants (n = 542)	Level of Organiz. Democracy
Hierarchical Enterprises	9	198	No
Social partnership enterprises	4	86	Moderate
Conventional employee-owned enterprises / workers co-operatives	4	72	Moderate
Democratic employee-owned enterprises / workers co-operatives	2	26	High
Democratic reform enterprises	6	112	High
Self-governed employee-owned enterprises	5	48	Very high

➔ **Features**

Organizational Structure

➤ **Organizational Democracy**

Degree of workers (perceived) participation in collective decision-making

ODS questionnaire: (perceived) Structure of Organizational Democracy, Weber, 2004 (unpublished) according to IDE, 1981; Barthoelke et al., 1985 and to Heller et al., 1988 etc.

◆ **Scope of Organizational Democracy:**
operational, tactical, strategic decisions

◆ **Participation degrees:**

(1) No Participation

(2) Information

(3) Opportunity to give advice

(4) Advice taken into consideration

(5) Joint decision-making

ODEM → ODS: Domains of decision-making

Degree of the individual worker's **partizipation in democratic decision-making** on the **domains**:

Operational (12 items):

- Improvement of labour conditions
- Tasks/orders: Assignment
- Paid vocational training
- Replacement of the personal equipment
- Holiday scheduling
- Determining of work schedule

Tactical (15 items):

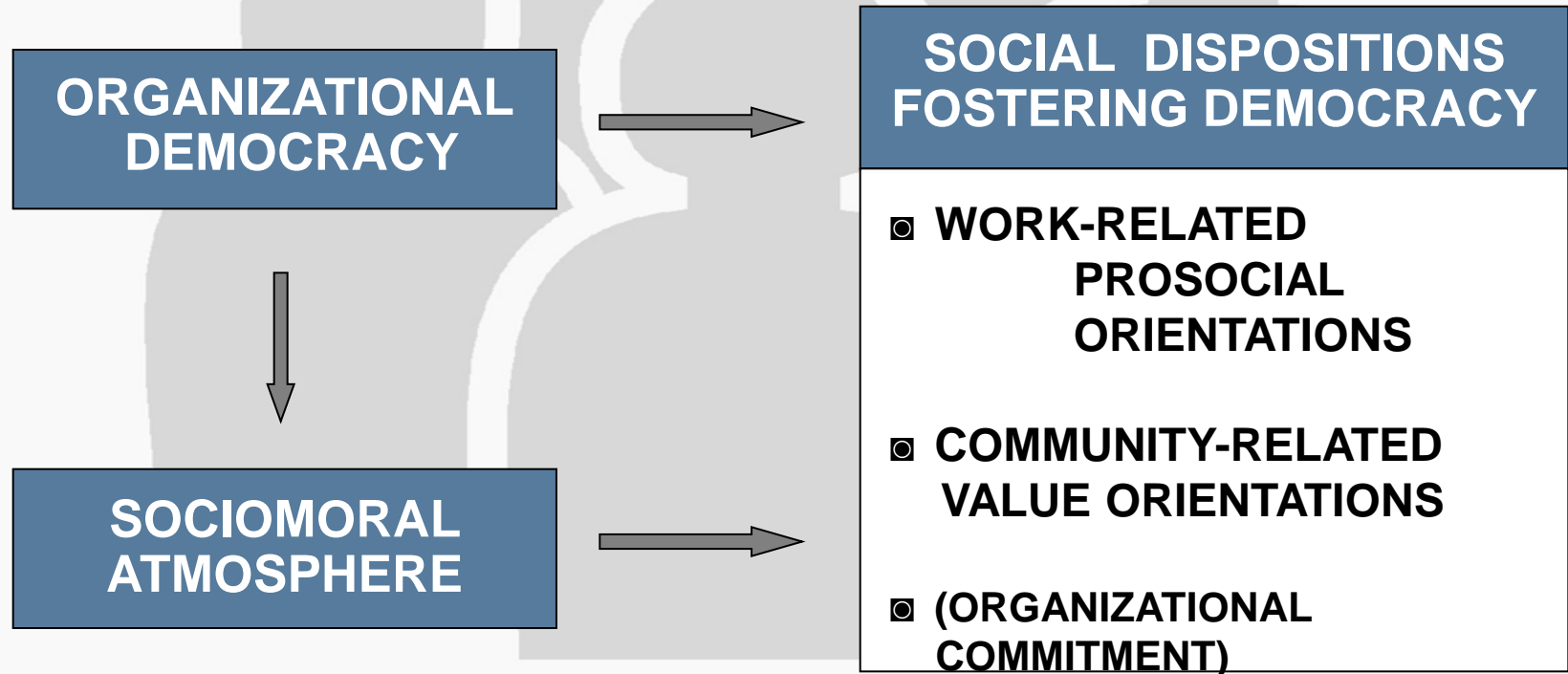
- Appointment of a new head of department/division
- Appointment of direct superiors
- Hiring and selection of new employees
- Differentiation of wages or salaries
- Dismissal of workers
- Performance of work study techniques
- Changes in the organization

Strategic (16 items):

- New products
- Organizational restructuring
- Capital investments
- Budget planning
- The constitution of the company
- ...

⇒ **Hypothetical Framework of ODEM**

Do **democratic principles** and a **sociomoral atmosphere** in organizations **foster** the readiness of employees to **act democratically and socially responsible**?



Community-related behavioral orientations are relevant for the functioning and reproduction of local communities and for the civil society as a whole. These orientations encompass citizens willingness to act on **humanitarian-egalitarian ethical principles** (see Katz & Hass, 1988; Dick & Doll, 1994) like

- protecting human life and dignity,
 - taking care for others,
 - serving the public good,
 - engaging against poverty in the Third World,
- and their readiness to **engage in democratic political activity** (see Bibouche & Held, 2001; Klicperová-Baker, 1998) like
- defending of democratic institutions,
 - engaging in protests,
 - openness to differing opinions and ways of life,
 - or advocating minorities' rights, on the other.

➔ **Dependent variables**

Cronbachs α for all scales ranged between 0.754 and 0.872

- ◆ **Prosocial work behavior** (Staufenbiel & Hartz, 2000, according to Konovsky & Organ, 1996; Podsakoff, Ahearne & MacKenzie, 1997)
- ◆ **Perspective taking, empathy** (Holz-Ebeling & Steinmetz, 1995 according to Davis, 1980)
- ◆ **Solidarity at work** (Flodell et al., 2004)
- ◆ **Humanitarian-egalitarian ethic** (Doll & Dick, 2000 according to Katz & Hass, 1988)
- ◆ **Democratic engagement orientations** (Bibouche, 2003)
- ◆ **Self-efficacy to promote justice in the world** (Mohiyeddini & Montada, 1996)

**PROSOCIAL AND
COMMUNITY-RELATED
ORIENTATIONS:**

**WORK-RELATED
PROSOCIAL
ORIENTATIONS**

**COMMUNITY-
RELATED VALUE
ORIENTATIONS**

➔ **Total sample of ODEM I**

Descriptives:

- **30 enterprises** from Austria, Italy (South Tyrol), South Germany, and Liechtenstein with **various degrees** of organizational **democracy**
Small and medium-sized companies (4 to 250 employees)
- max. **542 employees** (response rate: 61.52 %)
- 31 % female, 69 % male
- 34 % are holding capital shares of their companies
- 54 % present function in a body of organizational participation, co-determination, or self-government

➤ **Results 1:** Interrelation between **Organizational Democracy** and **Sociomoral Atmosphere** (both organizational level)

One way ANOVA:

Independent variable: Org. Democracy	Sociomoral atmosphere (range: 1- 6) (N=30)
No Democracy ¹	3.79
Medium Democracy ²	4.26 ^{***}
High Democracy ³	4.71
η^2 (strength of effect)	47,9 %^{***}

¹Hierarchically structured Enterprises

²Social Partnerships and democratic Cooperatives

³Democratic Reform and Self-governed Enterprises

Weber & Unterrainer (2010)

➤ **Results 2:** Effects of **Sociomoral Atmosphere (SmA)** and **Organizational Democracy** on **Work-related prosocial orientations**

One way MANOVAS (N = 431 to 489):

Independent Variables:	Prosocial working behavior (range: 1- 6)	Perspective taking (range: 1 - 6)	Solidarity at work (range: 1 - 4)
Low <u>Socio-Moral Atmosphere</u>	4.61	4.36	2.98
Medium SmA	4.75	4.55	3.26
High SmA	4.85	4.54	3.30
η^2 (effect strenght):	(1,8%*)	(1,5%*)	10,2%***
No Democracy	4.72	4.47	3.02
Medium Democracy	4.67	4.44	3.19
High Democracy	4.82	4.56	3.38
η^2 (effect strenght):	n.s.	n,s.	14,9%***

Weber & Unterrainer (2010)

➤ Results 3:

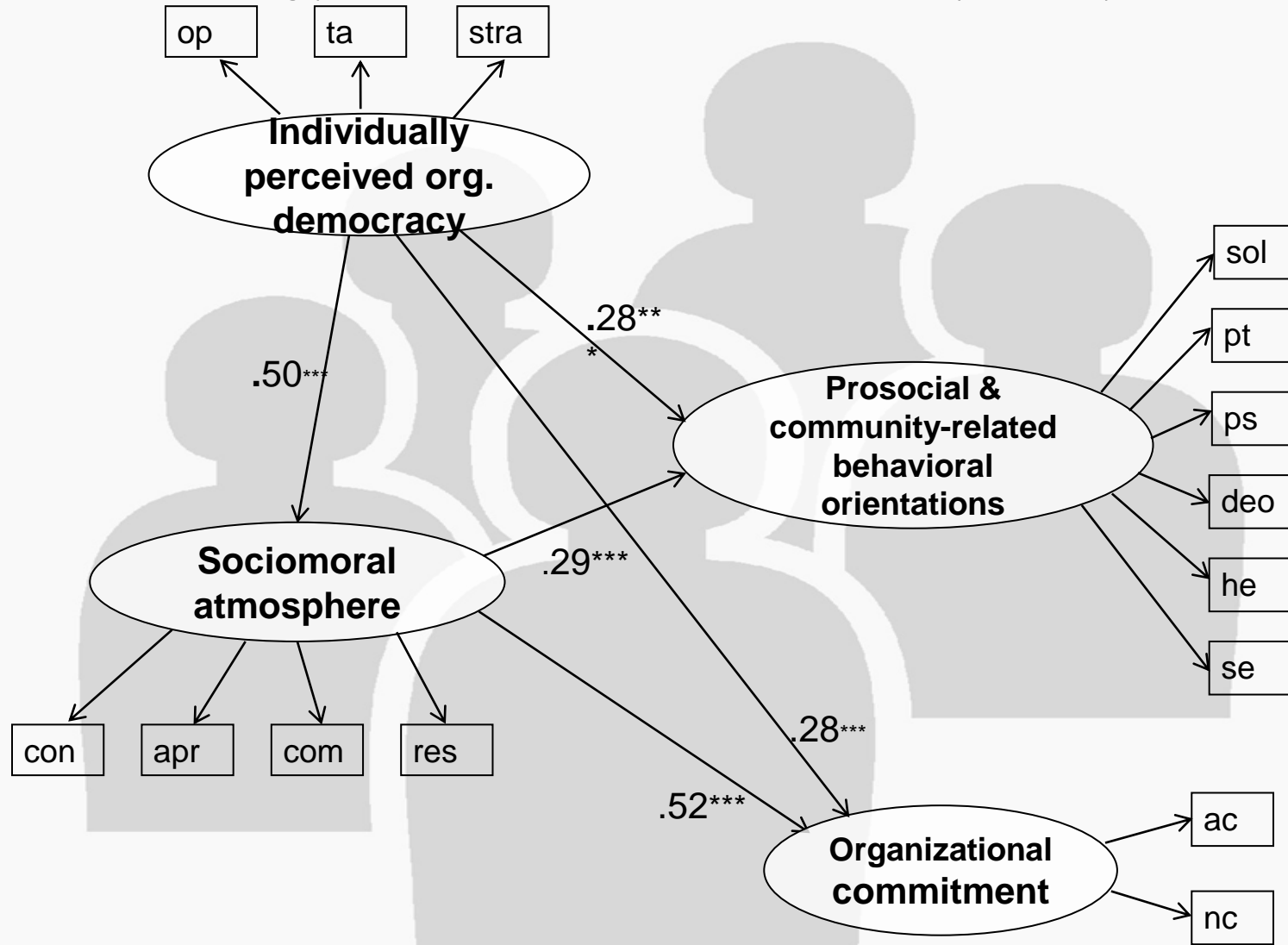
Effects of Sociomoral Atmosphere (SmA) and Organizational Democracy on Community-related orientations

One way MANOVAS (N = 350 to 431):

Independent variables	Humanitarian-egalitarian ethic (range: 1 - 6)	Democ. engagement orientations (range: 1 - 6)	Self-efficacy (justice in the world) (range: 1 - 6)
<u>Low Socio-Moral Atmosphere</u>	4.72	4.32**	3.55
Medium SmA	4.86	4.63***	3.54
High SmA	4.91	4.73	3.73
η^2 (effect strength):	.n.s.	4,3%***	.n.s.
No Democracy	4.67***	4.33***	3.52*
Medium Democracy	4.68***	4.37***	3.46*
High Democracy	5.04	4.90	3.78
η^2 (effect str.):	7,4%***	17,1%***	2,4%*

Weber & Unterrainer (2010)

Test of the hypothesized structural model (ODEM)

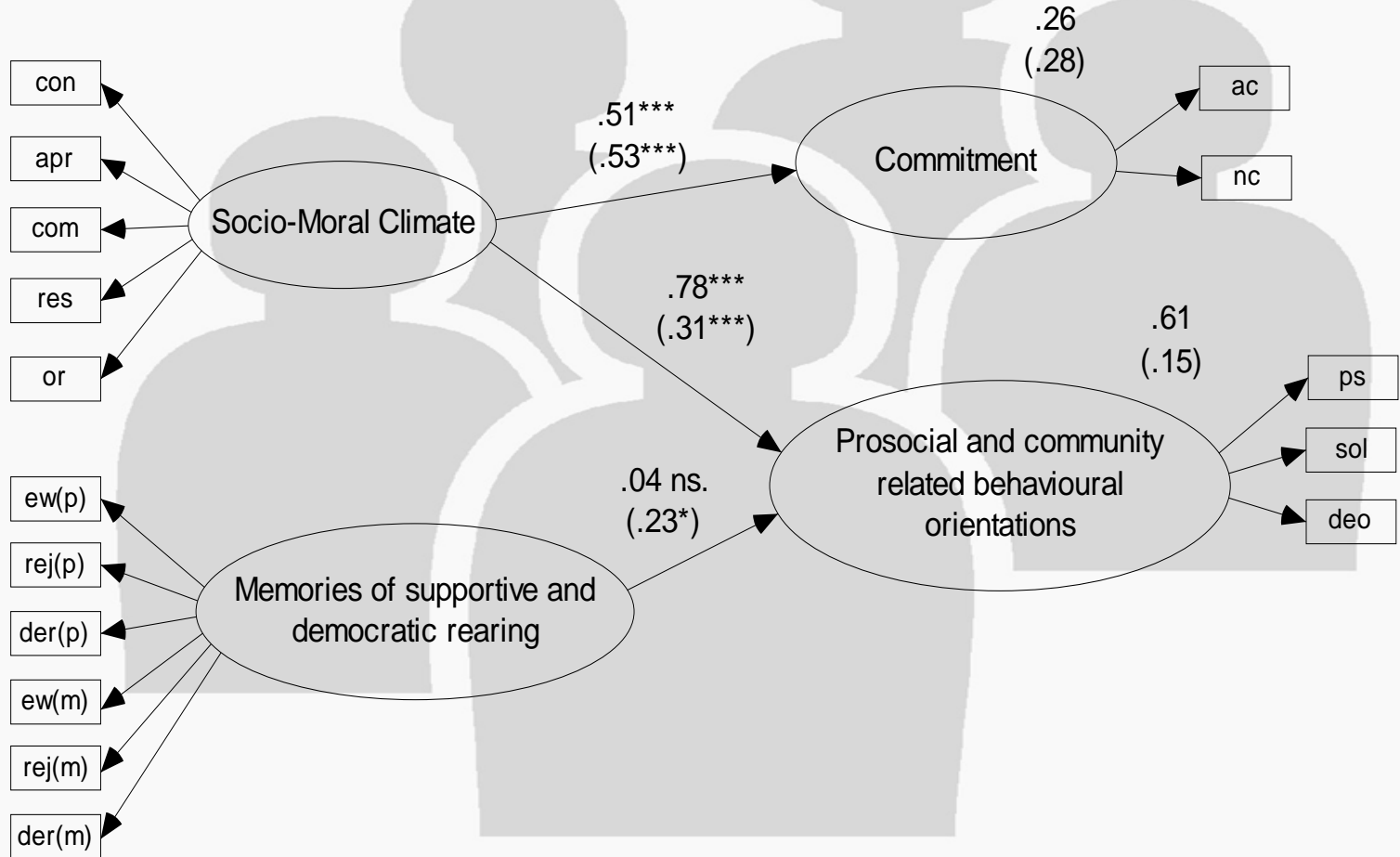


N = 306. χ^2/df -ratio = 2.559 ($p < 0.001$). RMSEA = 0.071, TLI = 0.934, and CFI = 0.948.

ODEM II: interrelations in 5 democratic vs. 5 (hierarchical) firms (N=285)

(Pircher-Verdorfer, Weber, Unterrainer & Seyr, 2011)

Test of the hypothesised model: Comparison of conventionally and democratically structured firms



**Thank you
for your attention!**

