Democratic Organizations and Working Cultures

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The Spillover Hypothesis

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

- 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, $r_{\text{alpha}} = .90$, $N=542$ (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

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Armin Pircher Verdorfer
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Januar 2010
**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
  - (1) Involvement in social problems and conflicts of interests, rules, norms and values (9 Items) $r_{\text{alpha}} = .91$
  - (2) Reliable appreciation, care, and recognition (7 Items) $r_{\text{alpha}} = .88$
  - (3) Free communication and cooperative decision-making, especially on the application and legitimacy of the company’s norms, values and principles (11 Items) $r_{\text{alpha}} = .92$
  - (4) Trust-based assignment / allocation of responsibility for the well-being of others (8 Items) $r_{\text{alpha}} = .79$
  - (5) Organizational support (7 Items) $r_{\text{alpha}} = .88$
<table>
<thead>
<tr>
<th>Democratic type of enterprises</th>
<th>Enterprises (n = 30)</th>
<th>Participants (n = 542)</th>
<th>Level of Organiz. Democracy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hierarchical Enterprises</td>
<td>9</td>
<td>198</td>
<td>No</td>
</tr>
<tr>
<td>Social partnership enterprises</td>
<td>4</td>
<td>86</td>
<td>Moderate</td>
</tr>
<tr>
<td>Conventional employee-owned enterprises / workers co-operatives</td>
<td>4</td>
<td>72</td>
<td>Moderate</td>
</tr>
<tr>
<td>Democratic employee-owned enterprises / workers co-operatives</td>
<td>2</td>
<td>26</td>
<td>High</td>
</tr>
<tr>
<td>Democratic reform enterprises</td>
<td>6</td>
<td>112</td>
<td>High</td>
</tr>
<tr>
<td>Self-governed employee-owned enterprises</td>
<td>5</td>
<td>48</td>
<td>Very high</td>
</tr>
</tbody>
</table>
Organizational Democracy - Resources of Organizations for Social Dispositions
Fostering Democracy (ODEM)

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

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Organizational Democracy - Resources of Organizations for Social Dispositions
Fostering Democracy (ODEM)
Degree of the individual worker's participation 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?

- **ORGANIZATIONAL DEMOCRACY**
- **SOCIOMORAL ATMOSPHERE**
- **SOCIAL DISPOSITIONS FOSTERING DEMOCRACY**
  - WORK-RELATED PROSOCIAL ORIENTATIONS
  - COMMUNITY-RELATED VALUE ORIENTATIONS
  - (ORGANIZATIONAL COMMITMENT)
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**
Cronbach's α for all scales ranged between 0.754 and 0.872

<table>
<thead>
<tr>
<th>PROSOCIAL AND COMMUNITY-RELATED ORIENTATIONS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORK-RELATED PROSOCIAL ORIENTATIONS</td>
</tr>
<tr>
<td>--------------------------------------------</td>
</tr>
<tr>
<td>COMMUNITY-RELATED VALUE ORIENTATIONS</td>
</tr>
</tbody>
</table>

- **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)
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:

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No Democracy&lt;sup&gt;1&lt;/sup&gt;</td>
<td>3.79&lt;sup&gt;***&lt;/sup&gt;</td>
</tr>
<tr>
<td>Medium Democracy&lt;sup&gt;2&lt;/sup&gt;</td>
<td>4.26&lt;sup&gt;***&lt;/sup&gt;</td>
</tr>
<tr>
<td>High Democracy&lt;sup&gt;3&lt;/sup&gt;</td>
<td>4.71</td>
</tr>
</tbody>
</table>

$\eta^2$ (strength of effect) 47.9%<sup>***</sup>

<sup>1</sup>Hierarchically structured Enterprises  
<sup>2</sup>Social Partnerships and democratic Cooperatives  
<sup>3</sup>Democratic 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):

<table>
<thead>
<tr>
<th>Independent Variables:</th>
<th>Prosocial working behavior (range: 1-6)</th>
<th>Perspective taking (range: 1-6)</th>
<th>Solidarity at work (range: 1-4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Socio-Moral Atmosphere</td>
<td>4.61 *</td>
<td>4.36 *</td>
<td>2.98 ***</td>
</tr>
<tr>
<td>Medium SmA</td>
<td>4.75 *</td>
<td>4.55 ***</td>
<td>3.26 ***</td>
</tr>
<tr>
<td>High SmA</td>
<td>4.85 *</td>
<td>4.54 **</td>
<td>3.30 ***</td>
</tr>
<tr>
<td>( \eta^2 ) (effect strength):</td>
<td>(1.8%*)</td>
<td>(1.5%*)</td>
<td>10.2%***</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Prosocial working behavior</th>
<th>Perspective taking</th>
<th>Solidarity at work</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Democracy</td>
<td>4.72</td>
<td>4.47</td>
<td>3.02 ***</td>
</tr>
<tr>
<td>Medium Democracy</td>
<td>4.67</td>
<td>4.44</td>
<td>3.19 ***</td>
</tr>
<tr>
<td>High Democracy</td>
<td>4.82</td>
<td>4.56</td>
<td>3.38 ***</td>
</tr>
<tr>
<td>( \eta^2 ) (effect strength):</td>
<td>n.s.</td>
<td>n.s.</td>
<td>14.9%***</td>
</tr>
</tbody>
</table>

Weber & Unterrainer (2010)
### Results 3:
Effects of Sociomoral Atmosphere (SmA) and Organizational Democracy on Community-related orientations

One way MANOVAS (N = 350 to 431):

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Humanitarian-egalitarian ethic (range: 1-6)</th>
<th>Democ. engagement orientations (range: 1-6)</th>
<th>Self-efficacy (justice in the world) (range: 1-6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Socio-Moral Atmosphere</td>
<td>4.72</td>
<td>4.32 **</td>
<td>3.55</td>
</tr>
<tr>
<td>Medium SmA</td>
<td>4.86</td>
<td>4.63 ***</td>
<td>3.54</td>
</tr>
<tr>
<td>High SmA</td>
<td>4.91</td>
<td>4.73</td>
<td>3.73</td>
</tr>
<tr>
<td>η² (effect strength):</td>
<td>.n.s.</td>
<td><strong>4.3%</strong>*</td>
<td>.n.s.</td>
</tr>
</tbody>
</table>

| No Democracy                | 4.67 ***                                   | 4.33 ***                                   | 3.52 *                                        |
| Medium Democracy            | 4.68 ***                                   | 4.37 ***                                   | 3.46 *                                        |
| High Democracy              | 5.04                                       | 4.90                                       | 3.78                                          |
| η² (effect str.):           | **7.4%***                                   | **17.1%***                                  | **2.4%**                                      |

Weber & Unterrainer (2010)
Test of the hypothesized structural model (ODEM)

Individually perceived org. democracy

Sociomoral atmosphere

Prosocial & community-related behavioral orientations

Organizational commitment

N = 306. χ²/df-ratio = 2.559 (p < 0.001). RMSEA = 0.071, TLI = 0.934, and CFI = 0.948.
Test of the hypothesised model: Comparison of conventionally and democratically structured firms

ODEM II: interrelations in 5 democratic vs. 5 (hierarchical) firms (N=285) (Pircher-Verdorfer, Weber, Unterrainer & Seyr, 2011)
Thank you for your attention!