Research Paper

Churn and Stability in Workforce Consultation Arrangements using WERS Panel Data

Ref: 01/16

2016

Duncan Adam (Research Associate, Institute for Employment Research, University of Warwick)

John Purcell (Visiting Professor, School of Management, University of Bath)

Mark Hall (Associate Fellow, Industrial Relations Research Unit, University of Warwick)

Disclaimer

The views in this Research Paper are the author's own and do not necessarily reflect those of Acas or the Acas Council. Any errors or inaccuracies are the responsibility of the author alone.

For any further information on this study, or other aspects of the Acas Research and Evaluation programme, please telephone 020 7210 3673 or email research@acas.org.uk

Acas research publications can be found at www.acas.org.uk/researchpapers

ISBN 978-1-908370-63-1

Churn and Stability in Workforce Consultation Arrangements using WERS Panel Data

Duncan Adam (Research Associate, Institute for Employment Research, University of Warwick)

John Purcell (Visiting Professor, School of Management, University of Bath)

Mark Hall (Associate Fellow, Industrial Relations Research Unit, University of Warwick)

Prepared for Acas by:

Corresponding Author: Duncan Adam

Institute for Employment Research

The University of Warwick

Coventry CV4 7AL

Duncan.Adam@warwick.ac.uk

Acknowledgements

The authors are grateful to Acas for funding the research reported here. We thank Paul Marginson for his helpful comments on an earlier draft of this paper, and Barbara Davey at Acas for her comments and editorial support.

The Workplace Employment Relations Study was conducted by NatCen Social Research on behalf of the Department for Business, Innovation and Skills, the Economic and Social Research Council, the UK Commission for Employment and Skills, the Advisory, Conciliation and Arbitration Service and the National Institute of Economic and Social Research. The data was distributed by the UK Data Archive at the University of Essex.

Contents

List of tables

EXECUTIVE SUMMARY

This research paper uses the WERS panel data to explore changes in the incidence of Joint Consultative Committees (JCCs) in workplaces in Britain between 2004 and 2011. Our previous paper (Adam et al 2014) was able to undertake cross-sectional analysis of the whole WERS 2004 and 2011 databases. While we were able to report the proportion of workplaces which had a JCC in each of these two years, and suggest a range of causal influences, we were unable to ask what had taken place in each workplace. The panel data allows this: it comprises just under a thousand workplaces (989) that took part in both the 2004 and 2011 studies. By looking at these individual workplaces it is possible to assess the degree to which JCCs continued to operate in the two survey waves or whether JCCs shut down, or indeed were set up between 2004 and 2011.

It has been known for many years that a proportion of JCCs were prone to collapse or close after the initial enthusiasm. This is referred to as 'churn'. The panel data allows an examination of churn for the first time and enables us to seek patterns and explanations for this phenomenon. This includes questions concerning the impact of the Information and Consultation of Employees Regulations which came into force progressively between the two survey periods.

Of the 989 workplaces in the panel, approximately 400 cases (unweighted) had a workplace level JCC in both 2004 and 2011. Our analysis is limited to the extent that the smaller number of workplaces in the panel than in the whole sample of 2,680 workplaces in 2011 means that fine tuning is not always possible. In particular we use the whole panel sample of workplaces and not a subset of organisations with 50 or more employees (which conforms to the coverage of the regulations).

The key findings can be summarised as follows:

1. The mean workplace size of the panel establishments in 2011 was 57.3 compared with the whole sample of 31.8. The importance of this is that the undertaking threshold at which the regulations apply is 50 employees. Overall 12 per cent of workplaces in the panel had a JCC in 2011 compared with eight per cent in the full cross sectional sample. There is a marked size effect with larger workplaces much more likely to have a JCC than smaller ones (Table 2). In the panel, where there are between 50 and 99 employees, JCCs are found in 27 per cent of workplaces. In workplaces with between 100 and 499 employees this rises to 56 per cent.

2. Looking at workplaces which are owned by another organisation, rather than being independent, the incidence of JCCs rises. In some cases there is only a higher level JCC at head office or divisional level (24 per cent overall, rising to 40 per cent in workplaces with 100-499 employees). A better measure of the coverage of JCCs is based on an aggregation of: where there is a committee only at the workplace, or at a higher level only, or at both levels. This aggregated measure is referred to as 'any

JCC'. This applied to 31 per cent of all workplaces in the panel and rose to 47 per cent in workplaces with 50-99 employees and 71 per cent of workplaces with between 100 and 499 employees. It is safe to conclude that over half of workplaces which fell within the ambit of the regulations in 2011 (i.e. 50 or more employees) had a JCC.

3. Analysis of churn rates using the panel data is vivid: a majority of JCCs in 2004 were no longer in operation in 2011.The overall survival rate for workplace level JCCs was 45 per cent. Overall 82 per cent of panel workplaces did not have a JCC in either year, six per cent had one in 2004 but not in 2011 and seven per cent had one in 2011 but not in 2004. Using the entire WERS sample, Adam et al (2014) showed a significant decline in the proportion of workplaces with 'any JCC' from 34 to 25 per cent. This decline was not observed in the panel data (Table 5) strongly suggesting that the decline in 'any level JCCs' is concentrated in smaller organisations. In other words it would appear that while fewer firms are engaging in consultation in their smaller workplaces, they are still doing so in the larger plants. In the panel workplaces, the overall survival rate for any JCC is 61 per cent. One fifth of workplaces had any JCC in both waves, just under three fifths had no JCC in either year, 13 per cent had any JCC in 2004 but not 2011, while just over 10 per cent had any JCC in 2011 but not in 2004. The figures for higher level JCCs are similar (Table 6).

4. It is possible to suggest the factors and influences which lead JCCs to survive (Tables 7, 8 and 9). Focussing on the percentage of workplaces with 'any' JCCs, on average 61 per cent had a surviving JCC. The survival rate was higher the bigger the workplace with 66 per cent of 50-99 sized workplaces and 84 per cent of those with between 100-499 employees surviving. It is clear that JCCs are much more likely to collapse in smaller workplaces. The survival rate was highest in the public sector and below average among private services almost certainly reflecting the different sizes of workplaces in these sectors. JCCs were significantly more likely to survive in places where trade unions were recognised (76 per cent). Sophistication of HRM, using IiP accreditation as a proxy, was associated with higher survival rates (65 per cent). Workplaces which were part of a wider organisation were also more likely to have a surviving JCC (62 per cent) compared with stand-alone workplaces (50 per cent).

5. The panel data has also allowed us to use questions relating to JCCs in the 2004 survey which were not repeated in 2011. Survival rates are higher when, in 2004, training had been provided or arranged by management for employee representatives (60 per cent compared with 40 per cent where there was no such training). We would expect the larger the undertaking the more representatives would serve on the JCC making it more likely that formal training would take place. Classic institutional factors are also evident in larger workplaces: the JCC was much more likely to survive where trade union representatives participated and where representatives were elected. Where JCCs met frequently they were much

more likely still to be operating seven years later than if they met less often than quarterly. While committees which were set up as permanent institutions did survive slightly more often than average (55 per cent) just over a quarter which were seen to be temporary in 2004 (perhaps set up to deal with redundancy) were still going in 2011.

6. We showed in our earlier report (Adam et al 2014) how management attitudes toward consultation were highly influential and appeared linked to the views of employee representatives. In the panel data we looked only at management attitudes, and, of course, we do not know if the same manager completed the survey in 2004 and 2011. Despite these limitations, analysis of management perspectives is of interest. One key question asks about managements' approach to consultation: whether to seek solutions to problems, seek feedback on a range of options, or just feedback on one preferred option. We doubted if the last of these, the most restricted form of consultation, was really consultation at all as the decision had already been taken. Bivariate analysis suggested that where the restricted form of consultation was used the JCC was more likely to survive Multivariate analysis (Appendix A) shows, however, that a JCC is more likely to survive where a range of options is considered in line with expectations. Committees which were felt to be 'fairly influential' were more likely to survive than those deemed 'very influential' in 2004. This would appear to a case of 'realistic expectations'.

7. A consistent and widespread criticism of the regulations has been the lack of any guaranteed role for trade unions. We have shown how in workplaces where unions are recognised the likelihood of JCCs surviving increases considerably, (and where recognised in 2004 it is unusual for the union not to be still recognised in 2011). There was very little evidence to support the hypothesis, often heard in union circles, that managers are seeking to replace trade union recognition with joint consultation. In the relatively few cases where unions lost recognition for collective bargaining the overall incidence of JCCs fell as well. Conversely, there is some evidence that JCCs may be a forerunner to union recognition. Overall some five per cent of workplaces which did not recognise a trade union in 2004 were now doing so in 2011. In those non-union workplaces in 2004 which had a JCC in that year a much higher proportion (19%) went on to recognise a union in 2011. In comparison only four percent of non-union workplaces in 2004 without a JCC subsequently recognised a union. We were able to suggest in the previous report that the use of workforce meetings and team briefings, where time was devoted to employee questions and views, were not used as substitutes for collective consultation but as complementary processes for employee voice and involvement. This is now confirmed in the panel data. What we also now know from the panel data is that churn in JCCs matches similar instability in employee voice arrangements. That is, only 46 per cent of workplaces with workforce meetings in 2004 still used this type of voice arrangement in 2011. Only 21 per cent used it in both years. The pattern was the same with team briefings. This may suggest continuing experimentation

by managers seeking to find the best way to communicate with employees and gain their views and opinions.

8. Some eight per cent of panel workplaces which did not have a JCC in 2004 had introduced one by 2011. It is impossible to tell from the data whether this was in response to the enactment of the regulations. What we can say is that workplaces falling within the size categories covered by the regulations were much more likely to have created a JCC. Of those with between 50 and 99 employees 18 per cent had done so while in the next size range (100-499) 38 per cent now had a JCC. Again this was more likely to have taken place in the public sector, where unions were recognised and where the organisation was IiP accredited.

The research confirms that the chances of JCC survival and JCC growth are strongly related to workforce and organisation size, among a range of other factors. It also suggests that clear and substantial effects of the ICE Regulations are hard to identify, even though panel workplaces falling within the regulations' size bands were more likely to have established JCCs between 2004 and 2011 than the panel workplace sample as a whole.

The extent of churn in JCCs is a key issue and one with important policy implications. Not only does it constitute an important contextual factor when assessing the limited impact of the regulations on the incidence of JCCs. It also highlights the absence of provisions in the regulations designed to promote the sustainability of employee consultation arrangements.

1. INTRODUCTION

Changes to legislation have prompted a revival in interest in employee consultation within academic and policy circles. The Information and Consultation of Employees (ICE) regulations 2004, introduced to implement the 2002 EU Directive on employee consultation, established for the first time in the UK a general statutory framework giving employees the right to be informed and consulted by their employers on key issues (Hall and Purcell 2012). The regulations apply to undertakings with 50 or more employees. The legislation generated renewed interest in consultation, with early predictions that the regulations would prompt a greater proportion of workplaces to establish consultative arrangements. However, the regulations allowed for considerable flexibility in employers' responses, and employers would only be required to act if 10 per cent of employees use the legislation to trigger statutory procedures.

Questions about consultation arrangements at the workplace have been asked at all six waves of the Workplaces Employment Relations Study (WERS). This study investigates joint consultative committees (JCCs), defined as "committees of managers and employees at [the] workplace [that are] primarily concerned with consultation rather than negotiation". WERS asks separate questions about whether the consultation committee operates at the workplace level and/or, in the case of workplaces which are part of larger organisations, whether consultation occurs at a higher level than at the workplace; (WERS questions used in this report can be found in Appendix C). This report looks at whether workplaces had consultation at the workplace (workplace level JCC), operating above the workplace (higher level JCC) or if there was any form of consultative committee operating at the workplace or higher level (any JCC). In the latter case, it is possible for workplaces to have committees at both the workplace and at the higher level. The WERS findings have noted a decline in the incidence of workplace level JCCs between WERS 1998 and WERS 2004 (Kersley et al 2006), though between 2004 and 2011 this decline had bottomed out and the incidence of workplace level JCCs was stable between the two waves (van Wanrooy et al 2013). Between 1998 and 2004 the WERS methodology changed slightly and from 2004 workplaces were eligible to take part in the survey if they had 5 or more employees, rather than 10 or more employees as previously. The comparisons reported in Kersley et al (2006) are calculated on a base of workplaces with 10 or more employees, whereas the findings from van Wanrooy et al (2013) are calculated on a base of 5 or more employees. Looking at the same population base of workplaces with 10 or more employees for the last three WERS confirms that after an initial decline, the incidence of workplace level JCCs has stabilised; 20 per cent in 1998 (Cully et al 1999) to 14 per cent in 2004 and 13 per cent in 2011 (authors' analysis).

1.1 Previous research on JCCs and aims of the research paper

Using cross-sectional WERS survey data from 2004 and 2011, Adam et al (2014) examined the impact on consultation of the ICE regulations in terms of the incidence, composition and impact of JCCs at the two time points. A sample of workplaces – the 'panel workplaces' - provide responses for two consecutive

WERS surveys, and these allow investigation of changes at the same workplaces between two time points. The aim of this further research paper is to build on the earlier analysis by exploring the way in which consultation arrangements have changed in panel workplaces which were part of both the 2004 and 2011 WERS samples, during which period the ICE regulations came into force. Using data from panel workplaces (sometimes also referred to as continuing workplaces in WERS publications) will provide further insights and understanding, by investigating effects at the level of the individual workplaces. This allows stronger claims to be made around questions of causality. By contrast cross-sectional models can demonstrate association, but from them it is problematic to infer causality; all that is known for example, is that at one point in time workplaces which scored highly on a particular variable also scored highly on a different variable. To make claims that one variable causes an outcome, it must necessarily precede it in time and when all variables are measured at the same time point ordering cannot be known.

The key findings of the 2014 research paper are presented here for information. Our analysis suggested that the ICE regulations had had some impact in terms of an increased incidence of workplace level JCCs in smaller organisations falling within the scope of the regulations, but in overall terms failed to drive an increase in the proportion of 'ICE qualifying' workplaces (those in organisations with 50 or more employees) having either a workplace- or higher level JCC.

The proportion of workplaces with five or more employees that had a workplace or higher level JCC in 2011 was 25 per cent, down from 34 per cent in 2004. The incidence of workplace JCCs was broadly stable between the two waves – at nine per cent in 2004 and eight per cent in 2011. The overall decline in JCCs was accounted for entirely by a fall in the proportion of workplaces reporting a higher level JCC, consistent with the increasing decentralisation of HR management to workplace level. There were clear effects by size of both workplace and of organisation in terms of overall incidence – a finding consistent with all previous research.

Looking specifically at workplaces belonging to organisations with 50 or more employees (i.e. those falling within the scope of the ICE regulations), the proportion that had workplace level JCCs remained stable at 13 per cent. Disaggregated by size band, there was a small increase in the incidence of JCCs among workplaces belonging to organisations with 50-99 employees that reported having workplace level JCCs (up from 10 per cent to 12 per cent) and a statistically significant increase among those in organisations with 100-149 employees (up from nine per cent to 20 per cent). A non-significant increase from nine per cent to 15 per cent was also recorded for workplaces belonging to organisations with 150-249 employees. These increases may be attributed to the influence of the ICE regulations. However, these increases were offset by the decline in the incidence of higher level JCCs: the proportion of workplaces belonging to organisations with 50 or more employees reporting any JCC fell from 59 per cent in 2004 to 46 per cent in 2011.

Although the findings from the 2014 paper indicated that the overall incidence of workplace level JCCs remained broadly stable between 2004 and 2011, the analysis did not determine whether the same workplaces had JCCs at the two time points. Further, although estimates were produced for the incidence of JCCs by sector, size and other variables, this did not provide information on what was happening about consultation arrangements in individual workplaces. By looking at the panel of individual workplaces over two points, it is possible to assess the degree to which JCCs continued to operate in the two survey waves or whether JCCs shut down, or indeed were set up between 2004 and 2011. This is referred to as 'churn' in consultative arrangements between the two waves. Although previous research (including Adam et al 2014) has examined overall levels of JCCs, questions about churn have largely been overlooked, and certainly merit more rigorous attention.

The primary rationale for examining the churn in consultation arrangements relates to the policy implications of the findings. It is important to know if JCCs are long-lasting once they are established, or if there is regular turnover. If it is the intention of policy to promote consultation, high levels of churn suggest that policy should be directed towards embedding existing committees as well as trying to promote new committees. On the other hand, if levels of churn are low, this suggests that policy should be more directed towards growing new consultative structures.

The issue of the life-cycle of a JCC has been considered in previous research, though the topic has not been covered for some time. The most notable work in this respect argued that consultative arrangements tend to be in a continual state of flux, largely dependent on general managerial attitude towards employee voice and whether issues are important enough to sustain interest and enthusiasm in meetings from both management's and employees' perspectives (MacInnes 1985). Although this work was undertaken a long time before the ICE regulations, debates about whether workplace consultation should be conducted through voluntary agreements or legislative directives were part of the concern of the paper. Other work such as Cox et al (2006) has investigated the level to which JCCs are 'embedded' though this work takes 'embeddedness' to mean the degree to which JCCs form part of a wider suite of mechanisms and structures for employee voice. In short, it is timely to revisit some of these concerns, particularly through the lens of the ICE regulations and the policy questions which result from the implementation of the regulations.

In addition to mapping the overall levels of churn in consultative arrangements between the two waves, this study also examines issues of growth and decline. The data are examined to show where there has been growth in JCCs and where there has been decline. These are mapped, where the data allow, by the characteristics of the workplaces (such as size, sector, whether or not part of a larger organisation etc.) and also, where applicable, by issues relating to management attitude and practice (such as whether the workplace recognises trade unions, other forms of representation at the workplace, practices adopted in

consultative meetings etc.). The research also considers the perceived effectiveness of the consultation body.

Looking at churn in both JCC arrangements and other forms of consultation will provide further insights into questions such as whether JCCs are being used as an alternative or a complement to (more traditional) union-based representative structures. Traditionally JCCs are more prevalent in workplaces where trade unions are recognised, but research suggests that union attitudes are 'ambivalent' towards the ICE regulations (Hall 2006; Hall et al 2015). Unions do not appear to have used the regulations to try to get greater traction in workplaces where they have previously not been recognised, and in workplaces with recognition, consultation is seen as a poor relative to negotiated agreement. On the other hand managers may seek to move from union recognition (and negotiation) to consultation as the latter is assumed to be less adversarial and has the advantage of covering all employees, if established to meet the criteria of the ICE regulations. This study will assess the evidence for these processes.

By looking at questions of how JCCs are used by management, either to provide information to workers, or whether they operate as more open and genuinely two-way communication channels, the research addresses the impact of the communication style on survival rates. Earlier research into the operation and impact of employee consultation bodies differentiated between 'active consulters' and 'communicators' (Hall and Purcell 2012; Hall et al 2013) but was not able to draw firm conclusions as to the relationship between differing approaches to consultation and how well the arrangements became embedded.

On the other hand, as well as looking at the survival rates of committees which existed in 2004 and the pattern of survival rates, this research also addresses questions of the formation of JCCs. The research will identify the types of workplaces where committees are most likely to have been set up. Other factors may also be important in whether consultation arrangements have been established. As noted, the appetite for consultation is likely to be highest when there are particular difficult issues which management and/or the workforce deem of sufficient importance to merit discussion. The likelihood of establishing a JCC may also be related to general questions about management's willingness to engage with worker representatives.

1.2 Research questions

This brief review of previous research leads to the following research questions which this report will address.

- Looking at the panel data, what proportion of JCCs survived between 2004 and 2011?

- Are there differences in survival rates for workplace level, higher level and any level JCC?

- Where are the areas of higher and lower churn (in terms of structural variables, e.g. size, sector, and process variables, e.g. type of consultation, perceived effectiveness of consultation)?

- What is the relationship between growth or decline of JCCs and changes to other forms of employee engagement, e.g. trade union recognition?

- Can the panel data give a better indication of the impact of the ICE regulations than the cross-sectional data? For example, what does it tell us about the incidence, operation and survival of JCCs in workplaces which are around the size thresholds of the regulations?

1.3 Data and methodology

This analysis uses data from the 2004 and 2011 WERS, the fifth and sixth waves of a study which began in 1980. The surveys sample from a population of all workplaces in Great Britain with 5 or more employees across all sectors with the exceptions of Agriculture, forestry and fishing and Mining and quarrying. The 2011 WERS population therefore covered approximately 750,000 workplaces which employed approximately 23.3 million employees. The survey comprises various questionnaires and takes views from managers (the management questionnaire – MQ) worker representatives (if applicable) (the worker representative questionnaire - WRQ) and a random sample of 25 employees, or all employees in small workplaces (the Survey of Employees questionnaire – SEQ).

The 2011 survey achieved responses from 2,680 workplaces (a 46 per cent response rate), compared with 2,295 in 2004 (a 64 per cent response rate). 989 workplaces (a 52 per cent response rate) took part in both the 2004 and 2011 studies. This paper uses data from the 989 panel workplaces. Unless stated, figures presented are weighted to account for sampling and non-response. Data are taken from the MQ, responses for which are given by management and so reflect the organisation's point of view.

The panel allows investigation of changes to consultative arrangements between 2004 and 2011 at the same workplace while maintaining a reasonable sample size to allow for some disaggregation by other variables. Of the 989 workplaces approximately 400 cases (unweighted) had a workplace level JCC at both 2004 and 2011. Because the panel contains a greater proportion of larger workplaces than the known population of workplaces, and that it is known that larger workplaces are more likely to have JCCs, this means that the unweighted proportion of workplaces which have JCCs is larger than the proportion when the weights are applied. The nature of the panel is discussed in section 2.

The research uses the panel data to examine changes to the incidence and practice of consultation which have occurred at the same workplace between 2004 and 2011. Changes in representation can be linked to practice, attitudes and context at the workplace level. The general advantage of using panel data

for these research questions is that it allows for the theoretical ability to isolate effects of general policies in a way which cross-sectional data cannot. Models are therefore not affected by unobservable (or uncontrolled) differences between workplaces, whereas this is a potential issue for cross sectional analysis.

Although the panel data do allow some advantages over the cross-sectional data, and offer the possibility of extending previous work in the ways noted above by looking at the same workplaces, the panel achieved sample is around a third of the size of the cross-sectional achieved sample. It is not possible therefore to investigate issues in such fine detail as is possible with cross-sectional data. Given the smaller number of workplaces in the panel, we were not able to adopt the approach that we took in the previous report (Adam et al 2014) of focussing on establishments belonging to organisations with 50 or more employees. At that time, we did this to match as closely as possible the size thresholds of the regulations and their focus on 'undertakings', not on establishments. In the analysis reported upon here, we look at all establishments but information on workforce size does enable us to focus on workplaces that match the regulations' 50+ employment threshold. It is well documented that incidence of consultative arrangements is highly associated with the size of the workplace and that WERS over-sampled larger workplaces. Although the panel is around a third of the size of the cross-section sample, it comprises disproportionately larger workplaces, so that the reduction in cases which have JCCs is not the same as the overall loss of cases. Using the panel does not therefore constrain the analysis as much as might be expected; though on the other hand it becomes more difficult to investigate smaller workplaces. This is discussed further in section 2.

Although the panel study allows consistency in terms of the workplace, we do not know whether the same manager answered the questionnaire in 2004 and 2011. It is possible that different managers could give different answers to the same questions (irrespective of whether change had occurred) especially around subjective issues relating to consultation such as questions around managerial attitudes, the general approach taken to consulting and the perceived effectiveness of the consultative process. More objective questions are less likely to be affected.

Ideally, to examine the MacInnes (1985) hypothesis of the cyclical nature of consultation, investigation of consultation arrangements would track the workplace over a number of survey waves. However, the panel element of WERS is constructed so that workplaces can only be part of two consecutive waves so it is not possible to use WERS to track the history of individual workplaces over several waves.

It is also not possible to know for sure what has happened between the two waves of the survey. In the discussion of JCC survival rates below, it is assumed that in a workplace where a JCC was known to be present at 2004 and also present at 2011, the same structure had remained in place in the interim. It is entirely possible that, especially due to the length of time between the waves, in some instances JCCs were disbanded and then reformed by the time of the 2011

survey. Equally it is assumed that in the case of a JCC not being present at 2004 and 2011, there was no arrangement in between the two survey points. Churn in the institutions of joint consultation can involve a cycle of birth, death and re-birth between the survey periods, though for the purposes of this paper, churn is taken to be a difference in arrangements between the two waves.

2. CHARACTERISTICS OF THE PANEL DATA

2.1 Comparing panel workplaces with all workplaces (MQ)

Table 1: Characteristics of the panel sample compared with all workplaces 2011: column percentages

	All workplaces 2011 (cross-sectional data)	**Panel workplaces 2011**
Workplace size (no of employees)		
5-9	44	27
10-19	26	32
20-49	18	22
50-99	6	10
100-499	4	7
500 or more	1	1
Workplace size (mean)	31.8	57.3
Industry (SIC 2003)		
Manufacturing	10	11
Electricity, gas and water	0	*No estimate*
Construction	5	(4)
Wholesale and retail trade	25	25
Hotels and restaurants	9	(9)
Transport and communication	5	7
Financial services	(2)	(2)
Other business services	18	13
Public administration	2	3
Education	6	7
Health and social work	12	13
Other community services	7	7
Sector		
Private Manufacturing	10	10
Private Services	78	72
Public	12	18

Base: All workplaces with five or more employees
Figures are based on responses from 2,680 (all) and 989 (panel) workplace managers
[Column 'all workplaces 2011' reproduces Table 1.1 in van Wanrooy (2013)]
( ) The unweighted base is between 20 and 50 observations and should be treated with caution
Where the unweighted base is less than 20 observations no estimate is given – these conventions are used throughout this report

The main difference between the panel sample and the full cross-sectional MQ sample is that panel workplaces are slightly larger. Panel workplaces tend to be larger than the cross-sectional sample because of the way in which the sample for WERS is constructed. To be part of the panel, the workplace has to be eligible for sampling in both 2004 and 2011. Therefore there needs to be five or more employees in 2004 and also in 2011. Intuitively it is clear that a workplace of 500 in 2004 has a lower chance of closing down or reducing to fewer than five employees by 2011 than a workplace that had five employees in 2004. This results in panel workplaces tending to be larger than the cross-sectional sample as evidenced by the respective mean sizes of 57.3 and 31.8 employees. Public

sector workplaces are more heavily represented as compared with the cross-sectional sample, though this may be in part a result of the workplace size differences. The differences between the panel data and the cross-sectional data in terms of consultation arrangements are discussed next.

2.2 Incidence of JCCs in the panel data

Table 2: Incidence of workplace level JCCs – comparison of panel data versus all workplaces, 2011: cell percentages

	Percentage of workplaces with a workplace level JCC	
	All workplaces 2011 (cross-sectional data)	**Panel workplaces 2011**
Workplace size (no of employees)		
5-9	1	0
10-19	4	5
20-49	10	12
50-99	27	27
100-499	52	56
500 or more	70	77
Industry (SIC 2003)		
Manufacturing	8	11
Electricity, gas and water	34	*No estimate*
Construction	3	(7)
Wholesale and retail trade	3	4
Hotels and restaurants	5	(9)
Transport and communication	16	15
Financial services	(11)	(16)
Other business services	8	16
Public administration	20	38
Education	22	21
Health and social work	11	15
Other community services	5	8
Sector		
Private Manufacturing	8	11
Private Services	6	10
Public	17	21
All	8	12

Base: All workplaces with five or more employees

Figures are based on responses from 2,680 (all) and 989 (panel) workplace managers

Table 3: Incidence of higher level JCCs and incidence of any JCC (higher level or workplace) – comparison of panel data versus all workplaces, 2011: cell percentages

	Percentage of workplaces with a JCC			
	All workplaces 2011 (cross-sectional data)		Panel workplaces 2011	
	Higher level	Any	Higher Level	Any
Workplace size (no of employees)				
5-9	16	17	25	25
10-19	19	22	18	23
20-49	22	29	19	29
50-99	33	51	32	47
100-499	34	67	40	71
500 or more	25	75	23	73
Industry (SIC 2003)				
Manufacturing	5	11	10	20
Electricity, gas and water	75	80	*No estimate*	*No estimate*
Construction	7	9	(16)	(20)
Wholesale and retail trade	25	26	23	25
Hotels and restaurants	13	17	(19)	(25)
Transport and communication	33	41	39	44
Financial services	(6)	(17)	(2)	(13)
Other business services	12	18	9	21
Public administration	61	70	59	72
Education	25	43	33	49
Health and social work	28	36	28	34
Other community services	26	30	34	39
Sector				
Private Manufacturing	5	11	10	20
Private Services	16	21	17	24
Public	56	65	52	61
All	20	34	24	31

Base: All workplaces with five or more employees

Figures are based on responses from 2,680 (all) and 989 (panel) workplace managers

Table 2 shows that the estimate for the incidence of workplace level JCCs in the panel (n=989) is slightly higher than for the cross-sectional sample (n=2,680). Given the profile of the panel sample, compared with the cross-sectional sample, and the known relationship between size of workplace and incidence of workplace level JCC, this higher estimate is likely to be a function of larger workplaces in the panel sample.

Table 3 shows that the overall incidence of any form of JCC in the panel data (workplace or higher level) is slightly lower than for the cross-sectional data, though the difference is non-significant. Taken separately, the incidence both of workplace level JCCs and of higher level JCCs is slightly higher for the panel data than for the cross-sectional data, suggesting that where workplaces in the panel do have consultative arrangements they are more likely to have both higher level and workplace level committees.

The panel data can be used in a similar way to cross-sectional data to produce frequencies at the two time points. Using the MQ cross-sectional data showed that the incidence of workplace level JCCs was nine per cent in 2004 and eight per cent in 2011. Similarly the incidence of workplace level JCCs in the 2004 panel sample was 12 per cent and for the 2011 panel sample it was also 12 per cent; this may be taken to imply a certain stability in consultation arrangements. Similarly, when both higher level and workplace level JCCs are considered, there is not a significant difference between the levels for 2004 and 2011 – 34 per cent of workplaces had some sort of JCC in 2004 compared with 30 per cent in 2011. The higher figure for JCCs at either the workplace or the higher level points to the influence of the wider organisation in establishing JCCs – that is JCCs are more commonly established at levels higher than the workplace.

However, using the data in this way does not provide any information about what is happening in individual workplaces. Linking the panel data shows the degree of churn which is not revealed by the approach taken above. The real strength of the panel data is illustrated in the following section, which examines the churn by matching workplaces in the panel sample.

3. JCC SURVIVAL RATES

3.1 Characteristics of workplaces with JCCs in both 2004 and 2011

Table 4: Incidence of workplace level JCCs 2004 and 2011 panel data: cell percentages

		2004		
		Workplace level JCC present	**No JCC**	**Total**
2011	**Workplace level JCC present**	5	7	12
	No JCC	6	82	88
	Total	12	88	100

Base: All panel workplaces. N= 988

Matching the workplaces through the panel data shows that there was considerable change in individual workplaces' consultation arrangements between 2004 and 2011. Five per cent of workplaces had a JCC in both years, and 82 per cent did not have a JCC in both 2004 and 2011. Six per cent had a JCC in 2004, but not 2011 and seven per cent had a JCC in 2011 but not 2004. In other words, over half of the JCCs in the panel which were present in 2004 were not operating by 2011; the overall survival rate for workplace level JCCs in the panel was 45 per cent. Therefore even though the estimates for the incidence of workplace level JCCs in the panel data for 2004 and 2011 are the same (12 per cent) Table 4 shows that behind this apparent stability there is considerable change with more than half of the JCCs observed at 2011 being formed since the previous survey.

Table 5: Incidence of any level JCCs 2004 and 2011 panel data: cell percentages

		2004		
		Any level JCC present	**No JCC**	**Total**
2011	**Any level JCC present**	20	11	31
	No JCC	13	57	70
	Total	33	67	100

Base: All panel workplaces. N=957

Note: The figures for totals given in Table 5 differ slightly from estimates presented in Table 3 due to missing values incurred when matching workplaces.

A similar pattern emerges when the same table is produced for any type of JCC. This shows that the estimates for incidence in 2004 and 2011 were 33 per cent and 31 per cent respectively. Using cross-sectional data, Adam et al (2014) showed a significant decline between 2004 and 2011 in the proportion of workplaces with any level JCC from 34 per cent to 25 per cent. This decline is not observed in the panel data, strongly suggesting that the decline in any level JCCs is concentrated in smaller workplaces. Matching the workplaces shows lower levels of churn than for workplace level JCCs. Twenty per cent of workplaces had

some sort of JCC (either workplace level, higher level or both) in both 2004 and 2011. Thirteen per cent had any JCC in 2004 (and not in 2011), 11 per cent had any JCC in 2011 (and not in 2004) and 57 per cent did not have a JCC for either year. The survival rate for any level of JCC is higher than for workplace level JCCs, at 61 per cent.

Table 6: Incidence of higher level JCCs 2004 and 2011 panel data: cell percentages

		2004		
		Higher level JCC present	**No JCC**	**Total**
2011	**Higher level JCC present**	30	17	47
	No JCC	20	32	53
	Total	51	49	100

Base: All panel workplaces, which are part of a larger organisation, but are not the head office. N=473

Looking only at workplaces which were asked the question about higher level JCCs again shows apparent stability in arrangements between 2004 and 2011. Fifty one per cent of workplaces had a higher level JCC in 2004 compared with 47 per cent in 2011. However 30 per cent had a higher level JCC in both years and the survival rate of higher level JCCs between 2004 and 2011 was 60 per cent. In common with the variable looking at any form of JCC, the decline in higher level JCCs which was observed for the cross-sectional data was not observed in the panel data.

The above has used the panel data to describe the overall survival rates for the different types of JCC which might operate at the workplace level. The following section examines the survival rates for the different JCCs by a range of variables, including structural characteristics, and where possible, variables relating to operation and context of consultation.

3.2 JCC survival rates by key variables – workplaces structures and JCC operation and influence

The following section examines the survival rates of JCCs by key variables. First, survival rates of workplace level, higher level and any level JCCs are examined by the main structural variables such as size, sector and union recognition. Second the survival rates of workplace level JCCs are examined by variables relating to the operation and influence of the JCC. WERS asks various questions about JCC process, operation and influence in relation to workplace level JCCs only. It would be interesting to be able to distinguish differences in process, operation and influence of higher level JCCs but the questions do not allow this. Many of the results reported show strong associations between binary variables but these weaken significantly when multivariate analysis is undertaken. This means the results, while interesting, must be treated with caution and are indicative rather than compelling.

The earlier study (Adam et al 2014) used questions which were asked in both 2004 and 2011; these questions are used again here, this time for the panel data. The analyses reported here also uses further questions asked only in 2004, which allow an examination of some antecedents of survival. The 2004 MQ asks questions relating to the operation of the committee(s), which provide additional information about the extent to which JCCs are embedded in the workplace.

These questions relate to training (provided by the management – as distinct from training provided to their representatives by a trade union) for the role of representative on the JCC, the sharing of sensitive information, and whether the committee is intended to be temporary or permanent. Variously these questions address the degree to which JCCs are embedded through the investment which the organisation makes and the degree of trust associated with the operation of the committee. The results are shown in Table 9.

Table 7: Workplace level JCCs survival rates – structural variables: cell percentages

	Percentage of workplaces with workplace level JCCs present at 2004 and also at 2011	**N**
All Panel	45	399
Workplace size (no of employees)		
5-9	*No estimate*	3
10-19	*No estimate*	5
20-49	30	29
50-99	45	40
100-499	66	153
500 or more	71	169
Organisation size		
Under 50 employees	*No estimate*	6
50 employees or more	51	390
Sector		
Private	46	224
Private - Manufacturing	42	63
Private - Services	47	161
Public	44	175
Union recognition		
No	44	87
Yes	46	304
Organisation accredited as Investor in People (IiP)		
Yes	47	228
No	43	158
Workplace Status		
Stand-alone workplace	49	59
Part of a wider organisation	45	340

Base: All panel workplaces which had a workplace level JCC in 2004 N=399 (numbers may not sum to 399 on some variables due to missing values.

Variables in left hand column are as described by the 2004 MQ. Some are more likely to change between the two waves than others.

Table 8: Workplace or higher level (i.e. any JCC) JCCs and higher level JCC survival rates – structural variables: cell percentages

	Percentage of workplaces with any JCCs present at 2004 and also at 2011	**N**	**Percentage of workplaces with a higher level JCC present at 2004 and also at 2011**	**N**
All Panel	61	555	60	273
Workplace size (no of employees)				
5-9	46	21	*No estimate*	14
10-19	63	35	61	26
20-49	56	74	52	51
50-99	66	60	57	39
100-499	84	187	70	93
500 or more	82	178	69	50
Sector				
Private	52	287	48	131
Private Manufacturing	63	66	28	28
Private Services	51	221	49	103
Public	77	268	75	142
Union recognition				
No	45	125	42	60
Yes	76	421	73	210
Organisation size				
Under 50 employees	*No estimate*	7	*No estimate*	0
50 employees or more	65	546	60	272
Organisation accredited as Investor in People (IiP)				
Yes	65	321	63	171
No	57	212	51	88
Workplace Status				
Stand-alone workplace	50	59	*N/A*	
Part of a wider organisation	62	496	60	273

Base: All panel workplaces which had any form of JCC (column 2) or a higher level JCC and were part of a larger organisation (column 4) in 2004 N = 555 (any JCC); N = 273 (higher level)

Tables 7 and 8 show that there are clear effects on JCC survival rates by size of workplace. It is established that larger workplaces are more likely to have JCCs, but JCCs are also more likely to survive in larger workplaces than in smaller ones. To put it the other way, JCCs are much more likely to be discontinued in smaller workplaces. This broad relationship holds for both workplace and higher level JCCs. Cross-sectional data tell us that larger workplaces are more likely to have JCCs at any particular point in time, but panel data confirm that there is a size effect too in the likelihood of having JCCs at consecutive points in time.

In the case of workplace level JCCs, the finding that size of workplace is strongly related to chances of survival is consistent with the idea that there are likely to be more willing committee members available in larger workplaces, and so continuation of consultation is less likely to be dependent on certain key people. The marked increase in survival rates for a workplace JCC (Table 7), any JCC or higher level JCC occurs when there are 100 or more employees on site. While there is some greater survival of JCCs when 50 or more are employed, compared with smaller workplaces, it is the 100+ workplaces which are markedly different. This may imply that the ICE regulations began to be of particular relevance over this size threshold by providing the institutional and legal logic for continuing with JCCs.

JCCs are more common in public sector workplaces than in private sector ones (Adam et al 2014). There is little difference though in the survival rate of workplace JCCs by sector. Table 7 shows that 45 per cent of private sector workplace JCCs survived between the two surveys, compared with 46 per cent for the public sector. Sector is however a more important factor when it comes to survival rates for any JCC and for higher level JCCs, as can be seen from Table 8. For any level JCC the survival rate in the public sector is 77 per cent compared with 52 per cent in the private sector, and for higher level JCCs the survival rate is 75 per cent in the public sector compared with 48 per cent in the private sector.

As Table 7 shows there is not a significant difference in workplace level JCC survival rates by trade union recognition – 46 per cent survival rate for unionised workplaces compared with 44 per cent for workplaces with no union recognition. Table 8 shows though that for any level and for higher level JCCs the survival rates are higher for unionised workplaces – 76 per cent against 45 per cent for any level JCC and 73 per cent against 42 per cent for higher level JCCs. Table 9 which shows variables relating to the operation of the workplace level JCC shows that, for unionised workplaces the survival rate for the workplace level JCC is slightly higher when there is a union representative on the committee (56 per cent) compared to when there is not (48 per cent). However, this is not found to be a statistically significant difference.

Tables 7 and 8 also show that organisations accredited by IiP are more likely to have a continuing JCC. The difference in survival rates between those IiP accredited and those who are not is largest for any level and higher level JCCs. For workplace level JCCs the difference is small. IiP accreditation is often taken to indicate sophistication in HR policies and practices, as the IiP standard recognises organisational practice in the three key areas of leading, supporting and improving.

Table 9 gives estimates for survival rates for workplace level JCCs by a number of variables relating to how the committees function and their perceived influence. Similar questions are not asked for higher level JCCs. The following paragraphs explore some of these variables.

As might be expected, the frequency which the JCC meets affects the likelihood of survival. Those JCCs which in 2004 were described as meeting on a monthly basis showed the highest survival rates (61 per cent) to 2011. Table 9 shows that those JCCs which met least frequently (less than once a quarter) showed the lowest survival rates (42 per cent). There are a number of missing values on this variable. Where data are missing on this variable, survival rates are also low, and it might be assumed that where the respondent does not know the frequency of the meeting that the JCC does not meet frequently. However, for the analysis here these missing values are not merged into the 'less than once a quarter' category.

Where representatives are elected to the committee it is more likely to last between the two survey periods, than when other methods of recruiting representatives, such as selection by management or appealing for volunteers, are used. The nature of the effect is difficult to establish here. It may be that well established committees attract a larger number of potential representatives and hence elections become necessary, or it could be that elections raise the profile of the JCC and mean that it is more likely to become embedded.

Variables relating to the management approach to consultation and the influence of the committee were also examined for relationships with survival rates. In the panel data used here it is only possible to explore the subjective views of the management respondent. Comparisons could not be drawn with employee representatives as had been done in the Adam et al (2014) paper. Table 9 shows the survival rates of JCCs by the managerial approach adopted (as reported by the senior HR manager) to discussing matters with the committee. The least challenging form of consultation is where managers choose to raise only the preferred option for discussion, meaning in effect that a decision has already been taken. These types of restricted JCCs were much more likely to survive and still be in operation in 2011 (62 per cent of them) than those where there was a much freer debate in 'seeking solutions to problems'. Here only 41 per cent of these JCCs survived. However regression analysis which controls for other influences shows (Appendix A) that the highest survival rate is where managers ask the consultative committee to consider a range of options. Qualitative research (Hall and Purcell 2012) suggests that consultation over implementation plans, and not the just the strategic issue itself, can be a fruitful approach to consultation.

Using the cross sectional data, Adam et al (2014) showed that there was a strong relationship between the managerial approach to consultation and the management respondent's assessment of the influence of the JCC. The more open the discussion the more likely the JCC was perceived to be influential. However, analysis of the panel data shows that influence does not feed into survival. Table 9 shows that where the JCC was seen to be 'fairly influential' in 2004 it is more likely to have survived by 2011 (56 per cent) than where the JCC was judged to be 'very influential' (43 per cent) and 'not very influential' (42 per cent). This may be a case of realistic expectations, or it could be that factors other than perceived influence are more important. Nearly half of managers with new JCCs in 2011 (i.e. no JCC present in 2004) felt their JCC was 'very influential'. Hall and Purcell (2012) show how new committees often deal with an accumulation of problems but once these are resolved the committee members can find it hard to maintain enthusiasm unless new big issues emerge.

Table 9: Consultation processes and workplace level JCCs survival rates: cell percentages

	Percentage of workplaces with workplace level JCCs present at 2004 and also at 2011	N
Approach to consulting		
Seek solutions to problems	41	140
Seek feedback on a range of options	57	168
Seek feedback on preferred option	62	69
Influence of committee		
Very influential	43	89
Fairly influential	56	228
Not very influential	42	57
Not at all influential	*No estimate*	4
Union rep on JCC		
Yes	56	238
No	48	117
Frequency of meeting		
Less often than once a quarter	42	68
At least quarterly but not monthly	53	183
Monthly or more frequently	61	102
Training provided by the establishment to employee representatives		
Yes	60	166
No	42	210
Elections usually held to appoint representatives to the committee		
Yes	60	236
No	40	136
Sharing of commercially sensitive information with the JCC		
Yes	50	248
No	49	81
Not relevant	55	46
Intended life span of committee		
Fixed period of time	27	26
Permanent	55	351

Base: All panel workplaces which had a workplace level JCC in 2004 N=399
Note: Numbers may not sum to 399 on certain variables due to missing values
Note: Some questions are asked only of multi-issue JCCs
Note: variables in left hand column are as described by the 2004 MQ. Some variables are more likely to change between the two waves than others.

The discussion of survival rates has thus far referred to variables in Table 9 which were also examined in the earlier research paper (Adam et al, 2014). Turning our attention to the questions which were included in the 2004 MQ, but not in the 2011 version, further information is revealed. The question examining whether the committee is intended to be permanent or temporary reveals management intentions at the time of establishing the committee. The 2004 cross-sectional data show that 10 per cent of workplaces which had a workplace level JCC answered that the committee was not intended to be permanent. The remaining 90 per cent of committees were intended to be permanent. Given the overall survival rate of workplace level JCCs of 45 per cent, the responses to this question are especially enlightening. As expected, where the committee was intended to be permanent the survival rate was higher than where the committee was intended to be temporary. However even where the committee was supposed to be permanent the survival rate was 55 per cent. The results therefore show a dramatic divergence between outcome and intention. Table 9 does indicate that the intended term of the JCC is a good predictor of outcome, although the distribution of the variable is skewed so that many more cases are in the 'intended to be permanent' category. In many respects the interesting finding is that there is a survival rate of 27 per cent for those which were not intended to be permanent. One interpretation could be that the presence of a JCC was actually found to be of benefit in certain workplaces and was therefore retained, despite the initial intention that the committee would be temporary.

The 2004 MQ asks if management provide training to employee representatives for their role on the committee with further probes for the issues which the training covers. The 2004 cross-sectional data indicated that training for employee representatives was provided by management in 48 per cent of workplaces with JCCs. As Table 9 shows, by 2011 60 per cent of workplaces where this training had been provided still had a JCC whereas 42 per cent of JCCs had survived where no training had been provided.

The 2004 MQ also asked about management's approach to sharing commercially sensitive information with the JCC. The effect of the approach to sharing commercially sensitive information with the JCC on survival is shown on Table 9. It might be expected that JCCs with which management was more willing to share commercially sensitive information were more securely embedded into the employment relations practices of the workplace. Sharing commercially sensitive information may be thought of as a proxy for trust between management and employee representatives. In the event, no difference was found according to whether sensitive information was shared or otherwise, indicating that this proxy for trust is not necessarily an influence on JCC survival.

The variables affecting JCC survival rates show that size is a key determinant of whether a workplace JCC survives. This can be interpreted as JCCs being necessary at a certain size of workplace and also that there are more likely to be replacements on hand if managers or employee representatives are, for whatever reason, unable to continue in their role. The results also point to the importance of management or institutional will - as exemplified by intentions regarding

permanent or temporary JCCs and whether management choose to provide training for employee representatives. Other indicators which may suggest greater prominence of the JCC such as elections to the committee and frequency of meeting are also found to be important. None of this necessarily implies that consultation will be meaningful or effective; indeed as we have shown the committees more likely to survive are those where the most restricted form of consultation is practised, and the variable for JCC influence does not show survival rates to increase with increased influence.

3.3 Multivariate analysis – survival rates

Workplace level JCC survival rates were modelled using multivariate techniques. A probit regression model was used to estimate the probability of the JCC surviving between the two time points. Multivariate techniques allow the independent effects of variables to be shown. The results of the final regression model are provided in Appendix A. Various models were tested to investigate the effects of including or excluding different variables. In some cases categories were combined due to small cell sizes. Due to the distribution of the organisational size variable, it was not possible to include it in this regression.

As Tables 7 and 9 indicate the chances of workplace level JCC survival are associated with a number of variables. However despite significant associations being found in bivariate relationships between various predictor variables and the dependent variable, in the majority of cases these relationships do not hold in multivariate analysis. As expected, the relationship which does hold is for workplace size, with chances of survival for the 100-499 and 500+ categories significantly higher than for the reference category of fewer than 50 employees. There are also significant differences on the method of consultation variable; compared with the reference category of seeking solutions to problems, JCCs which operate by seeking feedback on a range of options are found to be more likely to survive. There is no significant relationship found for the coefficient for seeking feedback on the preferred option.

4. RELATIONSHIPS BETWEEN CONSULTATION BY JCC AND OTHER FORMS OF REPRESENTATION AND INVOLVEMENT

This section examines the rate of churn in other forms of consultation/involvement with employees and explores relationships between changes in these other arrangements and changes in JCC status.

4.1 Union Recognition

Table 10: Union recognition 2004 and 2011 panel data: cell percentages

		2004		
		Union(s) recognised	**No union recognition**	**Total**
2011	**Union(s) recognised**	20	4	23
	No union recognition	3	74	77
	Total	23	77	100

Base: All panel workplaces. N= 946

Estimates for union recognition for 2004 and 2011 show apparent stability; i.e. cross sectional estimates show that the percentage of workplaces which recognised trade unions in 2004 was broadly the same as the percentage which recognised trade unions in 2011. Matching the workplaces shows that there is much less turnover in union recognition arrangements than in consultation arrangements, which is what would be expected. Overall the survival rate for union recognition is therefore 87 per cent.

The unweighted data for union recognition shows 30 cases where union recognition has been withdrawn since 2004 and 44 cases where union recognition has been newly established. The numbers in the cells are not large enough to make strong claims about the relationship between changes in representation and relationship with consultation, though they may point to processes which are at work. One hypothesis is that employers might prefer consultation through a JCC to negotiation with a recognised trade union because first, consultation results allows for levels of obligation from management than negotiation and second, the practice of consulting can be less adversarial than negotiating.

To examine the possibility that workplaces are replacing union recognition with the weaker form of representation through JCCs, the panel data are used to identify the 30 cases where union recognition was present at 2004, but not at 2011. Estimates based on these 30 cases have high levels of error so may not be reliable. Nevertheless, using these 30 cases there is little evidence to support the hypothesis. The proportion of these cases which had a workplace level JCC was 32 per cent (14 cases) in 2004 and by 2011 this had dropped to 13 per cent (nine cases). Matching the workplaces shows that 10 per cent (eight cases) had a workplace level JCC in both years and 65 per cent did not have a JCC in either year (15 cases). Twenty two per cent had a JCC in 2004 but not in 2011, and 2 per cent (one case) had a JCC in 2011, but not in 2004. These tentative findings may suggest that JCCs are not substitutes for union recognition. Where union

recognition has been withdrawn, overall JCC incidence has also fallen. Matching the workplaces shows that there are very few cases of JCCs emerging where union recognition has ceased. When union recognition stops, it is much more common for JCCs to cease than be set up. This suggests that where trade union recognition is withdrawn the result is a reduction in representation, rather than a change in its form. Managers are not seeking to replace recognised trade unions with JCCs.

Cases where union recognition was established between 2004 and 2011 were also examined to investigate any effect on the incidence of JCCs. Forty four such cases were identified in the panel data. As mentioned above, estimates based on this small number of cases have high levels of error so should be treated with some caution. Overall where union recognition was established, the estimates for incidence of workplace level JCCs were stable between the two waves – 26 per cent had a JCC in 2004 compared with 27 per cent in 2011. Matching the workplaces shows 17 per cent (14 cases) had a JCC in both years and 64 per cent (17 cases) did not have a JCC in either year. Ten per cent of workplaces (six cases) had a JCC in 2011 but not 2004 and nine per cent (seven cases) had a JCC in 2004 but not 2011.

Whereas the data may suggest that withdrawal of union recognition is associated with a decrease in JCCs, establishing union recognition does not appear to affect the incidence of JCCs. There is no evidence to suggest that trade union recognition is taking the place of JCCs. However there is some limited evidence which points to JCCs being a forerunner of trade union recognition. Looking at the growth rates for trade union recognition for all panel workplaces, which did not recognise trade unions in 2004, shows that the overall growth rate is five per cent. Workplaces which did not have a workplace level JCC in 2004 had a union recognition growth rate of four per cent compared with 19 per cent which did have a workplace level JCC in 2004. This gives some support to Hyman's assertion (1996:80) that works councils could be a 'springboard for organisation' among non-union workforces. Hall et al (2015:372) suggested that 'consultative committees can provide unrecognised unions with opportunities for organizing and showing effective servicing, if they choose to actively engage with these bodies'.

This finding suggests that JCCs may indeed provide a stepping stone towards union recognition, though the small sample increases the uncertainty of that statement. JCCs may help convince management and employees of the wider benefits of representation at the workplace, and trade unions seeking to gain recognition in workplaces may wish to reconsider their traditional ambivalence or hostility to JCCs. That is one interpretation of these results. Another explanation revolves around management will; where management are more disposed to communicating with employees then they are keen to employ a range of methods to do so.

4.2 Workforce meetings and team briefings

As well as churn in levels of trade union recognition, the relationship between JCCs and use of workforce meetings and team briefings is examined. As with trade unions, the aim is to examine the stability of these various arrangements between the two survey points and to investigate whether changes in arrangements at the workplace are associated with changes in incidence of JCC. We use two variables: workforce meetings and team briefings where at least 25 per cent of the time is given over to employee feedback. As with JCCs, churn in whether workforce meetings are used is high with only 46 per cent of workplaces which used this arrangement in 2004 still using it in 2011. In the panel data 45 per cent of workplaces used this form of meeting in 2004 compared with 44 per cent in 2011. Looking at the individual workplaces for the two years shows that 21 per cent of workplaces used these meetings in both years and 32 per cent did not use these meetings in either year.

Where workplace meetings were discontinued, there was a slight rise in the estimate for JCC incidence. However where workforce meetings were instigated between 2004 and 2011, there was also found to be a slight increase in the estimate of JCC incidence. Taken together these results do not show strong patterns of association between use of workforce meetings and use of JCCs. There is no evidence to support the hypothesis that workforce meetings are being used more extensively to replace employee voice through JCCs.

The use of team briefings with at least 25 per cent of the time given over to feedback and questions was also examined. In the panel workplaces 36 per cent held briefings in 2004 compared with 42 per cent in 2011. Again, examining the practices of individual workplaces shows considerable change between 2004 and 2011. Thirty nine per cent did not hold briefings in either year, and 17 per cent held briefings in both 2004 and 2011. Where workplaces discontinued the practice of team briefings there was no change in the incidence of JCCs. There was also no change in JCC incidence for the workplaces which began holding team briefings between 2004 and 2011.

This section points to wider issues around forms of employee voice. With the exception of union recognition, churn in other forms of employee voice is relatively high. Union recognition is the most formal expression of employee voice, despite being in the vast majority of cases conducted through voluntary agreements rather than via statutory measures. The churn rates in the other forms of employee voice tend to suggest that the mechanisms are influenced by management preferences which are less stable and come and go from time to time. However, the key finding is that the churn in these different forms is quantitatively different from the churn in trade union recognition.

5. JCC GROWTH RATES

As well as looking at how well JCCs are embedded (i.e. their likelihood of survival from the 2004 survey to the 2011 survey), to investigate regulatory effect it is necessary to estimate the likelihood of new JCC arrangements being established. Using the panel data, JCC growth rates for workplaces which did not have a workplace level JCC in 2004 are examined by various workplace characteristics. For these workplaces the overall growth rate is eight per cent, as shown in Table 11.

Table 11: Workplace level JCC growth rates 2004 to 2011 cell percentages

	Percentage of workplaces which did not have a workplace JCC in 2004, but did in 2011	**N**
All Panel	8	589
Workplace size (no of employees)		
5-9	3	81
10-19	8	125
20-49	10	157
50-99	18	76
100-499	38	115
500 or more	(43)	35
Size of organisation		
Under 50 employees	6	163
50 employees or more	9	424
Size of organisation		
Under 50 employees	6	163
50-249 employees	7	84
250 employees or more	10	340
Sector		
Private Manufacturing	5	61
Private Services	6	368
Public	16	160
Workplace Status		
Stand-alone workplace	6	174
Part of a wider organisation	8	415
Union recognition		
No	6	359
Yes	17	217
Organisation accredited as Investor in People (IiP)		
Yes	10	228
No	7	337

Base: All panel workplaces which did not have a workplace level JCC in 2004 N=589
Note: Numbers may not sum to 589 on some variables due to missing values

The following section examines the effect of size on the likelihood of establishing a JCC. For both of these variables – size of workplace and size of organisation – we take the number of employees as given at the 2004 survey. Larger workplaces are much more likely to set up consultation arrangements. This is especially noticeable in 100-499 category where 38 per cent set up a JCC. This matches the pattern shown earlier that once the workplace has over 100 employees the need for a consultative committee is evident, and it would seem reasonable to suggest that the ICE regulations had some influence.

However, the difference between the growth rate for workplaces part of an organisation under 50 employees and those of 50 employees or more is not found to be significant. In order to investigate the organisational size effect in greater detail, and to try to get a better understanding of regulatory effect, versions of the variable with different size categories were investigated. It might be predicted that effects would be noticeable in the size category just above the threshold, but not for the largest organisations – a type of inverse U shaped relationship with size and growth rates. What the data show however is that the likelihood of establishing a JCC increases as the size of the organisation increases. The growth rate for under 50 employees is six per cent, compared with seven per cent for 50 to 249 employees and 10 per cent for workplaces part of organisations with 250 or more employees.

Table 11 also shows sectoral differences. The growth rate in public sector workplaces (16 per cent) is higher than for both private services (six per cent) and private manufacturing (five per cent). Growth rates are also higher for workplaces with trade union recognition (17 per cent) compared to where unions are not recognised. Where there is greater sophistication of the HR function, as measured by IiP accreditation, the growth rate estimate is marginally higher (10 per cent) than where the HR function is less sophisticated (seven per cent), though the difference is not significant.

5.1 Multivariate analysis – growth rates

Workplace level JCC growth rates were modelled using multivariate techniques. As for survival rates, a probit regression was specified to estimate the probability of a JCC being established between the two time points. Again the advantage of this approach allows for the unique effect of variables to be identified. The results of the regression model are provided in Appendix B. Unlike the regressions for survival rates, it was possible to include organisational size, though in combination with other variables, the difference between organisations with less than 50 employees and 50 or more employees was not found to be significant.

In a similar way to regressions for workplace level JCC survival, models which include multiple predictor variables show significant differences for the workplace size variable. A model including only workplace size and trade union recognition shows a significant coefficient on the trade union variable, though this effect is diluted when further variables are introduced into the model – that is the trade union effect is partially explained by the other variables in the full model.

6. CONCLUSIONS AND POLICY IMPLICATIONS

In the UK collective consultation has traditionally been viewed as the poor relation of collective bargaining by both trade unions and employers. However, the coverage of collective bargaining has declined during the latter part of the 20th century. Brown et al (2008) note a sharp decline from 1980. The latest figures show collective bargaining coverage at historically low rates. The collapse in collective bargaining is most evident in the private sector where 15 per cent of employees are covered by collective agreement, compared with a figure of 61 per cent in the public sector (BIS, 2015). The erosion of collective bargaining in the private sector means that joint consultation may be the only form of collective representation available, so it potentially assumes greater importance. The ICE regulations offered the promise that for the first time employees would have access to statutory consultation rights.

In the event qualitative research suggested that there had been little engagement with the regulations from employers, employees and trade unions (Hall, 2006; Hall et al 2015). The publication of the WERS dataset offered the opportunity to make a quantitative assessment of the findings from the qualitative work. Our cross-sectional research using WERS data from 2004 and 2011 suggested some regulatory impact in terms of the increased incidence of workplace level JCCs among organisations in the lower size bands affected by the ICE regulations and, in the context of the long-term decline of JCCs and collective employment relations arrangements more generally, the stabilisation of the overall prevalence of JCCs.

The present research has sought to provide greater understanding by assessing the effects at the level of the individual workplace. It finds that the chances of JCC survival and JCC growth are strongly related to workplace and organisation size, among a range of other factors, and it is not possible to identify clear regulatory effects. But our analysis shows that, while eight per cent of panel workplaces established JCCs between 2004 and 2011, workplaces falling within the size bands covered by the ICE regulations were much more likely to have created a JCC, even if a step change at the threshold of the ICE regulations is not evident.

The research also highlights the extent of churn in JCC arrangements. Churn in JCCs was found to be high – certainly in comparison with more stable forms of representation such as via trade unions. More than half of the JCCs which operated at 2004 were found to have disbanded by 2011. Survival rates were low in comparison to the proportion of managers who had answered in 2004 that the committees were intended to be permanent. The findings provide some support for theories about cycles of consultation, which suggest higher levels of turnover with JCCs being formed and dissolved on a periodic basis, and may also be suggestive of the importance of institutional/management will in determining whether consultation continues.

Strong bivariate relationships were observed between chances of survival and a number of independent variables, although the majority of these effects did not remain once multivariate models were estimated. The bivariate relationships, which take no account of workplace size suggested that institutional will was important in JCC survival; where the employer chose to train the employees for their role on the committee then the chances of survival were higher. Where the committee had greater staff involvement as demonstrated by elections for the committee, chances of survival were higher. This is much more likely to take place in larger workplaces with a 100 or more employees, and especially where there are 500 or more employees, compared to those with between 50 and 99 employees, as shown in tables 7 and 8, let alone those even smaller workplaces. One obvious feature is that the number of representatives required to service a JCC effectively increases with size, making it more likely that training and proper elections take place. It is interesting to note that at the bivariate level, neither greater effectiveness nor more active consultation processes (in both cases as described by management) was found to increase the chances of JCC survival.

In addition to workplace size, the chances of JCC growth were found to be higher in unionised workplaces, though this effect does not fully hold in the final multivariate model once further variables are introduced such as workplace size. Similarly chances of establishing a JCC were found to be higher in public sector workplaces, in part perhaps because public sector establishments tend to be larger. We were not able to explore the full range of interaction effects combining size, unionisation, sector, HR policy and managerial attitudes to explain changes between 2004 and 2011. Looking at each factor separately can reveal some tantalising associations but at this level the findings are indicative rather than conclusive. The research has highlighted that although aggregate figures imply stability in consultation arrangements closer attention reveals that the picture is far more complicated. The degree of churn is high. This is both an important contextual factor when assessing the impact of the ICE regulations – with the introduction of new JCCs being (more than) offset by the discontinuation of JCCs elsewhere – and an indication of design flaws in the regulations themselves: the statutory promotion of information and consultation arguably needs to address not only the establishment of such arrangements but factors ensuring their embeddedness and sustainability. Even where JCCs have survived this is not necessarily indicative of effective or active consultation. Managerial attitudes and perspectives towards consultation are important and are shown to shape the nature of the process.

The research reported here forms part of a body of recent research indicating that the ICE regulations have had only a limited impact on the incidence, sustainability and effectiveness of employee consultation arrangements. In the light of this disappointing outcome, a number of commentators and organisations have put forward suggestions for reforming the regulations, including the TUC (2014), the Smith Institute (2014), Hall et al (2015) and the Involvement and Participation Association (2015). A key gap in the regulatory design of the regulations is the absence of provisions to help embed consultation arrangements and counteract the high attrition rates highlighted by the WERS panel data. The foregoing analysis (notably Tables 7, 8 and 9), suggests a number of areas in which

legislators and policymakers could usefully consider making amendments to the regulations with the objective of enhancing the sustainability/survival of consultation arrangements. These include measures to promote: the inclusion/involvement of trade union representatives in consultation arrangements; the election of employee representatives, as opposed to other, less formal means of selection; the provision of training for and frequent meetings of the consultation body. The findings therefore offer some support for a number of the proposed amendments recently put forward for strengthening the ICE regulations.

REFERENCES

Adam, D. Purcell, J. and Hall, M. (2014) 'Joint consultative committees under the Information and Consultation of Employees Regulations: A WERS analysis'. London: Acas Research Paper 04/14

Brown, W., Bryson, A. and Forth, J. (2008) 'Competition and the retreat from collective bargaining' *NIESR Discussion Paper*, No. 318

Cox A, Marchington M, and Suter J (2006) 'Embedding The Provision Of Information And Consultation In The Workplace: A Longitudinal Analysis Of Employee Outcomes In WERS 98 And 2004'. *Employment Relations Research Series*, London: Department of Trade and Industry

Cully, M., Woodland, S., O'Reilly, A. and Dix, G. (1999) *Britain at Work*, London: Routledge.

Department for Business, Skills and Innovation (BIS) (2015), 'Trade Union Membership 2014' https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/431564/Trade_Union_Membership_Statistics_2014.pdf

Hall, M. (2006) 'A cool response to the ICE Regulations? Employer and trade union approaches to the new legal framework for information and consultation'. *Industrial Relations Journal* 37 (5): 456-472.

Hall, M., Hutchinson, S., Purcell, J., Terry, M. and Parker, J. (2013). 'Promoting effective consultation? Assessing the impact of the ICE Regulations'. *British Journal of Industrial Relations*, 51(2):315-81.

Hall, M. and Purcell, J. (2012) *Consultation at Work: Regulation and Practice.* Oxford: Oxford University Press.

Hall, M., Purcell, J., and Adam, D. (2015) 'Reforming the ICE regulations – what chance now?' *Warwick Papers in Industrial Relations*, 102

Hall, M., Purcell, J., Terry, M., Hutchinson, S. and Parker, J. (2015). 'Trade union approaches towards the ICE Regulations: defensive realism or missed opportunity?' *British Journal of Industrial Relations* 53(2):350-375

Hyman, R. (1996) 'Is there a case for statutory works councils in Britain?' In A. McColgan (ed.) *The Future of Labour Law.* London: Pinter, pp. 64-84.

Involvement and Participation Association (2015) *ICE and Voice 10 years on: The Information and Consultation of Employees Regulations in the UK and Europe*

Kersley, B., Alpin, C., Forth, J., Bryson, A., Bewley, H., Dix, G. and Oxenbridge, S. (2006). *Inside the workplace: findings from the 2004 Workplace Employment Relations Survey*. London: Routledge.

MacInnes, J. (1985) 'Conjuring up consultation: the role and extent of joint consultation in post-war private manufacturing industry' *British Journal of Industrial Relations* 23(1): 93-113

Smith Institute (2014) *Making work better: an agenda for government*

Trades Union Congress (TUC) (2014) *Democracy in the workplace: strengthening information and consultation*

van Wanrooy , B., Bewley, H., Bryson, A., Forth, J., Freeth, S., Stokes, L. and Wood, S. (2013) *Employment Relations in the Recession: Findings from the 2011 Workplace Employment Relations Study.* Basingstoke: Palgrave Macmillan.

Appendix A – Regression analysis for workplace level JCC survival

Workplace size (no of employees) (Reference category: 5-49)	
50-99	0.2261
	(0.4157)
100-499	0.6324*
	(0.3769)
500+	0.7062*
	(0.4027)
Sector (reference category: Public)	
Private	-0.1959
	(0.3243)
Union recognition (Reference category: No)	
Yes	-0.1533
	(0.3367)
Workplace Status (Reference category: Part of a wider organisation)	
Stand-alone workplace	0.6998
	(0.4733)
Organisation accredited as Investor in People (IiP) (reference category: No)	
Yes	0.2009
	(0.2719)
Approach to consulting (Reference category: Seek solutions to problems)	
Seek feedback on a range of options	0.6498**
	(0.2937)
Seek feedback on preferred option	0.4294
	(0.3736)
Influence of committee (Reference category: Very influential)	
Fairly influential	0.6219*
	(0.3647)
Not very influential	0.0882
	(0.4272)
Not at all influential	-1.0771
	(0.9010)
Union rep on JCC (reference category: No)	
Yes	0.1586
	(0.3003)
Frequency of meeting (reference category: Less often than once a quarter)	
At least quarterly but not monthly	0.1083
	(0.3546)

Monthly or more frequently	0.3646
	(0.3980)
Organisation accredited as Investor in People (IiP) (reference category: No)	
Yes	0.2009
	(0.2719)
Training provided by the establishment to employee representatives (reference category: No)	
Yes	0.2680
	(0.3113)
Elections usually held to appoint representatives to the committee (reference category: No)	
Yes	0.2953
	(0.2915)
Sharing of commercially sensitive information with the JCC (reference category: No / not relevant)	
Yes	-0.3020
	(0.2842)
Intended life span of committee (reference category: Permanent)	
Fixed period of time	-0.7405
	(0.5435)
Constant	-1.1801*
	(0.6508)
N	318

* significant at the 10 per cent level, ** significant at the 5 per cent level, *** significant at the 1 per cent level

Appendix B – Regression analysis for workplace level JCC growth

Workplace size (no of employees) (Reference category: 5-9)	
10-19	0.4808
	(0.3231)
20-49	0.6450**
	(0.3148)
50-99	1.0542***
	(0.3356)
100-499	1.5598***
	(0.3156)
500+	1.7238***
	(0.4286)
Organisation size (no of employees) (Reference category 50 or more employees)	
Under 50 employees	0.3093
	(0.4285)
Sector (reference category: Public)	
Private	-0.2360
	(0.2381)
Union recognition (Reference category: No)	
Yes	0.3216
	(0.2292)
Workplace Status (Reference category: Part of a wider organisation)	
Stand-alone workplace	-0.1513
	(0.4150)
Organisation accredited as Investor in People (IiP) (reference category: No)	
Yes	-0.0400
	(0.2478)
Constant	-1.8701***
	(0.3970)
N	551

* significant at the 10 per cent level, ** significant at the 5 per cent level, *** significant at the 1 per cent level

Appendix C - Questions from WERS

Questions from WERS 2004 MQ only

Training

Does this establishment provide any training or instruction to employee representatives to help them in their role on the committee?
1) Yes
2) no

Sharing Confidential Information

Do managers share commercially sensitive information with representatives on the committee?
1) Yes
2) No
3) Not relevant to this committee

Intended life span of committee

Is this committee intended to exist for a fixed period of time or is it a permanent one? / Are the committees predominantly for a fixed term or are they permanent?
1) Finite Fixed period of time
2) Perm Permanent

Questions from WERS 2004 and WERS 2011 MQ

Workplace level JCCs

Are there any committees of managers and employees at this workplace, primarily concerned with consultation, rather than negotiation? These committees may be called joint consultative committees, works councils or representative forums.
1) Yes
2) No

Elections to workplace level JCC

Are elections usually held among employees to appoint employee representatives to the committee?
1) Yes
2) No

Frequency of meetings of workplace level JCC

How many times has the committee met during the last 12 months?
Range: 0..97

[Note this variable is recoded into categories for reporting purposes]

Approach to consultation

Which of the following best describes managers' usual approach when consulting members of the committee?
1) Seek solutions to problems
2) Seek feedback on a range of options put forward by management
3) Seek feedback on a preferred option put forward by management

Influence of workplace level JCC

Generally speaking, how influential do you think this committee is on management's decisions affecting the workforce?

Do you think it is ... (READ OUT):
1)... very influential
2)... fairly influential
3)... not very influential
4)... or not at all influential?

Union representatives on workplace level JCC

Do any of the union representatives at this workplace sit on the [name of committee]?
1) Yes
2) No

Higher level JCCs

Apart from Health and Safety and other single topic committees, is there a consultative committee of managers and employees in your organisation that operates at a higher level than this workplace?
PROMPT IF NECESSARY: For instance, at divisional, regional or Head Office level?
1) Yes
2) No

Workforce meetings

Do you have meetings between senior managers and the whole workforce (either altogether or group by group)?
1) Yes
2) No

Time given to feedback at workforce meetings

On average, what proportion of the time at the meetings is usually available for questions from employees, or for employees to offer their views? :
1) None (0%)
2) A small proportion (Less than 10%)
3) Up to a quarter (10-24%)
4) A quarter or more (25% or more)

Team Briefings

Do you have meetings between line managers or supervisors and all the workers for whom they are responsible?

INTERVIEWER: If asked, these are sometimes known as 'briefing groups' or 'team briefings'?
1) Yes
2) No

Time given to feedback at team briefings

On average, what proportion of the time at these meetings is usually available for questions from employees, or for employees to offer their views?
1) None (0%)
2) A small proportion (Less than 10%)
3) Up to a quarter (10-24%)
4) More A quarter or more (25% or more)

Investor in People accreditation

Is [name of organisation] accredited as an Investor in People?
1) Yes
2) No

Published by Acas