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Individualised Employee Engagement Practices and Job Satisfaction in British Workplaces

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Employment Relations and Human Resource Management: Building On David Marsden's Legacy



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Outline





Research Aim and Questions



Research Aim:

To examine the individual and joint effects of individual forms of employees' participation in decision-making, employee involvement and individual incentive pay on job satisfaction.

Research Questions:

- Are individualised employee participation in decision-making and employee involvement better predictors of various forms of job satisfaction compared to collective forms of participation in decisions?
- Do individual incentives positively influence job satisfaction compared to collective/group incentives?
- Are individualised employee participation in decisions and individual incentives complementary?
- Are these complementary effects strengthened by the presence of EO policy?



Participation in decisions

Sharing control rights with employees at management level (Kato and Morishima 2002; Pérotin and Robinson 2003; Behraves et al, 2020)



Employee Involvement

Participation in decisions at employee level/ job control
Employees' control over the tasks and how they do their job (Wood and de Menezes, 2011; Zatzick and Iverson, 2011)



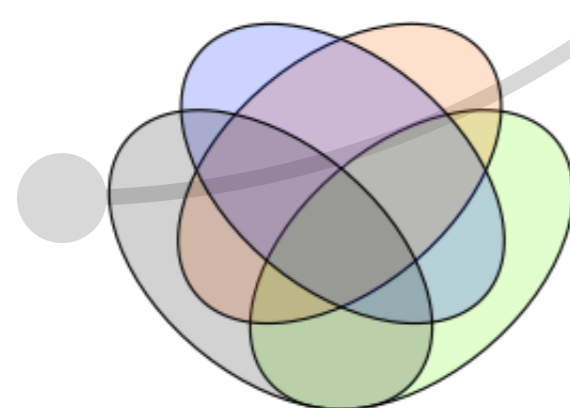
Incentive pay

The classical agency problem (misalignment between workplace and employees' interests) has necessitated use of incentives
Focus on individual performance pay - merit pay



Job satisfaction

Job satisfaction ("employee's positive affective response to the job") argued to play a significant role between employee motivation to remain in an organisation and productivity (Wright and Davis, 2003 and Bae 2021)



Complementarity of practices

Are suggestion schemes strengthened by merit pay and formal policy on fairness?

Empirical Approach

Data

2011 WERS

Matched employee-employer
dataset

Detailed information on
employee's relationship with
management, job satisfaction,
motivation issues, consultation
procedures and mechanisms,
incentive schemes, fair
treatment at work, workplace
characteristics and employee
characteristics

Sample

After deletion of missing cases in
dependent variables, final sample
size of 20,596 observations is
obtained

Estimation of job satisfaction equations

Weighted logit estimations
conducted individually for
forms of job satisfaction
Dummy Variable
Adjustment' strategy



Dependent variables

Employees satisfaction with: sense of
achievement, initiative, influence,
training, opportunity to develop skills,
pay, job security, the work itself and
overall decision-making

Independent variables

Suggestion scheme, job control, joint
consultative committees, merit pay,
individual pay, group pay, profit
sharing scheme, EO policy

Control variables

Manager types, perception of
secure job, job characteristics,
employee characteristics and
workplace characteristics

Research Findings

EI/Job control/Participation in decisions at employee level

- Control over tasks, how task is done and working time are strong predictors of various forms of satisfaction.
- Corroborates the findings of Wood (2008), De Witte et al. (2007), Noblet et al. (2006), Bartling et al. (2012), Wood and de Menezes (2011), Mikkelsen et al. (1999), Morrison et al. (2003) and Böckerman et al (2020)

Control Variables

- Supportive, informative, and consultative types of managers positively influence employee satisfaction with various aspects of the job.
- Men are more likely to be satisfied with initiative, influence, training and skills than women
- Union membership positively related to satisfaction with pay and work itself and significantly associated with lower levels of satisfaction with skills and involvement in decisions than non-membership

Complementarities

- Joint presence of merit pay and suggestion schemes significantly increases the likelihood of satisfaction with involvement in decision-making and significantly reduces the likelihood of training and pay satisfaction
- Joint effects of merit pay and suggestion scheme are similar in workplaces that have formal EO policies

Participation in decisions at management level

- Suggestion scheme positively and significantly related to satisfaction with influence, training, skills, pay and job security (significant when interactions are added to the model, excluding training)
- Presence of joint consultative committees not significantly related to any form of satisfaction

Incentive pay

- Merit pay negatively related to training satisfaction and positively related to satisfaction with involvement in decisions and pay
- Pay based on individual performance (piece rates) positively associated with satisfaction with achievement and negatively related to satisfaction with involvement in decision-making when compared to receiving basic wage
- Profit-sharing scheme (measured as workplace pay) significantly increases the likelihood of satisfaction with achievement and pay than receiving basic fixed wage.
- Team incentive is negatively related to training satisfaction.



Conclusion





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Thank You!

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