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British Managers' Attitudes and Behaviour in Industrial Relations: A Twenty-Year Study

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Abstract

A unique longitudinal study of Britain's managers conducted in 1980, 1990 and 2000 permits comparisons of managerial attitudes and behaviour in industrial relations over twenty years. We find clear evidence of the relationship between macro-level political and economic movements of the period from 1980 up until the late 1990s on managerial attitudes, the impact of changes in power relations and the 'lag effect' of institutions. The most unexpected findings are the modest rise of managerial unionism in the 1990s and the limited evidence of the replacement of collective bargaining by either individual or group involvement or by employee financial participation.

1. Introduction

In 1979, in his classic study *The Changing System of Industrial Relations in Great Britain*, Hugh Clegg argued authoritatively that '[t]he truth of the matter is that the study of managers in industrial relations is in a primitive state' (p. 164). Much has of course changed since that time; and, as Poole and Mansfield pointed out in 1993, detailed information is available on managerial styles in industrial relations (Purcell 1983; Purcell and Sisson 1983), on the role of management in the reform of collective bargaining (e.g. Brown 1981; Sisson 1987), and on managerial unionism (Bamber 1986; Poole *et al.* 1983). Above all, however, during the last decade or so, with the spectacular increase in interest in human resource management (Guest 2001; Huselid 1995; Pfeffer 1998; Wood 1996), industrial relations research and

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theory is just as likely to encompass the managerial role as that of the state or trade unions.

Nevertheless, longitudinal research on managers in industrial relations is rare. Hence the original contribution of this paper is to highlight patterns of continuity and change in managerial attitudes and behaviour in industrial relations over a twenty-year period. The analysis is based on a unique series of surveys of Britain's managers that commenced in 1980 (Mansfield *et al.* 1981; Poole *et al.* 1981) with follow-up studies in 1990 (Mansfield and Poole 1991; Poole and Mansfield 1993) and 2000 (Poole *et al.* 2001).

2. Background

Managerial roles in industrial relations have been affected by radical changes in their contexts. Among these are the rise of the neoliberal agenda at the expense of both socialism and corporatism; the globalization of markets and production; greater emphasis on labour market flexibility; (until recently) much higher levels of unemployment; rapid technological change; the altering industrial and social composition of the workforce; and new laws regulating industrial relations (see e.g. Kelly 1997, 2004; Rigby and Smith 1999; Wood and Godard 1999). Thus, it is highly probable that these macro-level transformations have impacted on managerial attitudes and behaviour.

Government's role in economic and industrial policy has been dramatically altered. It was widely argued that a major reason for declining economic performance, especially in Anglo-Saxon countries, was that managerial prerogative had been circumscribed by the state, as well as by strong trade unions and collective bargaining. In particular, it was argued that the state-sponsored role of trade unions and legislated workers' 'rights' had undermined the flexibility of the labour market to respond to product market changes. This, in turn, was linked to the growth of 'neo-corporatism', which of course implied a strong state or government role not just in shaping the overall economy, but also in the operation of large-scale and even middle-sized businesses. (For a recent analysis, see Baccaro 2003.)

This was to change dramatically in the 1980s. Direct involvement of the state in economic and industrial management was reduced; laws were passed directed towards deregulation, decentralization and support for the enterprise culture; moreover, labour market flexibility was facilitated by re-establishment of the managerial prerogative at the individual firm level (Hyman 1997). The government's role in industrial activity was cut back and, through increasing privatization, the remaining state-owned parts of the economy were appreciably reduced. Broadly speaking, these policies continued to be pursued in the 1990s. Labour's victory in 1997 might have heralded significant changes, but these did not dramatically alter the central consensus that the government's role in the economy and in the workings of industry should be reduced. However, some legal changes were made (Ludlam and Taylor 2003).

Governments can also affect the broader ideological climate in which employer and managerial attitudes develop (Godard 2002). Thus, the Thatcher government shifted attitudes in Britain towards the enterprise culture (in which private enterprise and entrepreneurship were seen as far superior to state planning and intervention) and away from a more paternalist and voluntarist tradition. However, there has been some reversal of this situation in the promotion of an ideology of partnership in the Blair era. Naturally, the effects of partnership agreements may be circumscribed. For example, Kelly (2004) found that, in cases of employment decline, firms with social partnership agreements shed labour at a faster rate than non-partnership firms (the opposite being the case for expanding firms). Critically, too, he found no impact of social partnership on wage settlements, working time, holidays or union density, and instead stressed the vital importance of information sharing, trust and power relations on actual practice. Moreover, although Guest and Peccei (2001) found some more positive links between partnership principles and practice, they stressed that, if the balance of advantage 'within a process of mutuality' errs too far in favour of management, partnership becomes a 'hollow promise'.

None the less, governmental activity in industrial relations not only involves legal regulation, but also helps shape the cognitive and normative rules (Godard 2002). And so we can ask to what extent the rise of neoliberalism has been reflected in managerial attitudes to governmental intervention in selected areas of industrial relations and in support for the enterprise culture.

Hypothesis 1(a) Consistent with the decline in 'neo-corporatism', managerial opposition to prices and incomes policies has increased.

Hypothesis 1(b) Managerial support for legislative curbs on trade union power has declined.

Hypothesis 1(c) Managerial support for governmental intervention to foster an enterprise culture based on private enterprise and entrepreneurship has increased in recent years, possibly tempered by partnership ideologies.

However, no interpretation of change in industrial relations over significant time periods could afford to ignore the shift in power from organized labour towards management (Machin 2000; Strauss 1995). Indeed, the decline in trade unions in the period 1980–2000 has been one of the most dramatic of the changes experienced by Britain's managers. As an illustration, in *All Change at Work?* Millward *et al.* (2000) developed an index of union strength based on union density, presence of an on-site representative, and collective bargaining coverage in the UK and gauged union strength to have fallen from 2.1 to 1.6 between 1984 and 1998.

This fundamental change in Britain's industrial relations system has led to debates on the so-called 'hollow shell' hypothesis, whereby, even when trade

unions and collective bargaining processes are present, there is increasing managerial influence over actual outcomes (Hyman 1997). Moreover, power relations can clearly mediate the effects of ideological shifts linked with changing governmental policies and the actual practices that stem from them (see again Kelly 2004). These developments clearly suggest a further research question: has the reduction in the power of trade unions been reflected in changes in managerial *attitudes* to trade unions and in their *behaviour* in industrial relations over the past twenty years?

Hypothesis 2(a) Britain's managers are profoundly aware of the decline in trade union power.

Hypothesis 2(b) Managers are less opposed to trade unions in 2000 than they were in 1980.

Hypothesis 2(c) Reflecting the decline in trade unionism in Britain, managerial membership in trade unions and staff associates has declined.

However, institutional structures and processes of industrial relations may affect patterns over time and may place some restriction on the impact of macro-level movements and changes in power relations. Indeed, in industrial relations theory, institutions are seen as vital explanatory constructs not least in accounting for persistent national differences. They may continue for prolonged periods despite macro-level changes, partly because those in dominant roles have a clear interest in 'organizational survival' (Flanders 1970), but also because of the processes of socialization, which ensure that participants continue to sustain established machinery (Poole 2003). Of course, institutions do change over time, and this may occur not just from radical transformations, but also from the cumulative effect of incremental change (Godard 2002; Poole 2003). But they may still have an important 'lag effect' in delaying the impact of persistent macro-level movements.

In Britain, traditionally, the most important institutions for industrial relations relate to collective bargaining. However, over the years, collective bargaining coverage in Britain has declined. Thus, on the basis of the WERS 98 data, in workplaces with recognized unions, collective bargaining fell from 86 per cent in 1984 to 67 per cent in 1998 (Millward *et al.* 2000: 160). However, non-union direct forms of employee involvement appear to have been increasing, for example regular meetings between management and the workforce, problem-solving groups and briefing groups (Millward *et al.* 2000: 118). Nevertheless, profit-sharing in establishments, after an appreciable rise in the 1980s, was found to be fairly stable between 1990 and 1998, and employee shareholding actually declined over the same years (Millward *et al.* 2000: 214). Such developments lead to a further research question and a related hypothesis. To what extent are there persistent patterns of managerial experiences of industrial relations over time?

Hypothesis 3 Institutional processes have affected the industrial relations experiences of managers over time and may be evident in patterns of collective bargaining and employee involvement.

3. Methods and sample

Questionnaires were posted to a random sample of fellows and members of the Chartered Management Institute in 1980, 1990 and 2000. To retain some continuity, many of the questions were identical in each survey. Although confined to CMI members, respondents came from different employment sectors (e.g. commerce, service industry, manufacturing, public administration and education) and from diverse general and functional backgrounds (e.g. general management, strategic management, production, sales and marketing). The number of respondents for the 2000 survey was 1291, which is a 43 per cent response rate. This rate was slightly higher than the 41 per cent response rate achieved in our 1990 survey, but lower than the 52 per cent response rate for 1980. In each sample year response rates were relatively high for postal questionnaire research. There is clearly some distortion from using the Chartered Management Institute as a sample base, in that respondents are likely to be better educated and more professional compared with the population of Britain's managers as a whole. However, when respondents are reporting on characteristics of their organizations (e.g. whether managers are unionized) sample bias is less likely to be of major consequence. (For further details see Poole *et al.* 2001.)

There were some important changes in the samples over the respective time periods, even though, for the most part, they appear to be at least a reasonably good representation of CMI membership at each point when the survey was administered. The details are set out in Table 1. Note the consistently high percentage of respondents at board and senior management levels. Also, in line with changes in the British economy generally, there has been a substantial decline in managers drawn from the manufacturing employment sector and an increase in the number of respondents from small employers. Moreover, the managers in the 2000 sample were far more mobile between firms than in 1980. As for gender representation, in September 2003, 24 per cent of membership was female; this can be compared with only 2 per cent of our respondents in 1980, 4 per cent in 1990 and 12 per cent in 2000, suggesting a persistent albeit diminishing under-representation of female respondents. Finally, about 10 per cent of members are self-employed or consultants, although overall the Institute tends to represent managers with professional and postgraduate qualifications and those working at senior levels in larger organizations; this situation is certainly reflected in our own samples.

A further problem with longitudinal research is that comparative data can be obtained only if identical questions are used at all points in time. This means that many questions have to be kept unaltered, and, indeed, a core set

TABLE 1
 Characteristics of the Chartered Management Institute Samples, 1980, 1990 and 2000
 (% responding)

	1980 (n = 1058)	1990 (n = 827)	2000 (n = 1291)
Employment sector			
Manufacturing	36.0	28.8	21.1
Commerce and service industries	33.6	29.6	33.6
Public administration	10.9	10.1	14.6
Education	6.4	7.8	8.6
Private practice	6.1	7.2	6.3
Other	7.0	16.4	18.0
Present managerial level			
Board member	23.6	30.8	24.4
Senior management	36.1	37.2	36.0
Middle management	27.9	21.5	25.9
Junior management	3.8	2.5	4.4
Management adviser	6.5	4.5	4.1
Other	2.0	3.6	5.2
No. of employees in organization			
0-99	16.9	24.0	29.5
100-499	15.8	15.9	16.3
500-999	8.9	8.2	7.9
1000-9999	25.7	22.9	22.3
10,000-49,000	17.3	13.1	13.5
50,000+	15.4	15.8	10.5
No. of employers worked for			
1	14.1	11.6	4.9
2-3	38.1	28.7	30.8
4-5	27.9	29.4	31.3
6-10	18.7	27.1	29.7
Over 10	1.2	3.2	3.4

was retained over the three surveys. However, in both the 1990 and 2000 surveys some material was added and other material was deleted from the preceding surveys; for example, in 1990 we deleted some of the questions on managerial unionism but added new ones on profit-sharing and employee share-holding schemes. Moreover, the passage of two decades clearly means that key issues can change dramatically and may not be interpreted in the same way at the different time periods. For instance, in terms of employee participation, Bullock-style industrial democracy has little relevance in 2000, whereas the term 'empowerment' would not really have been recognized at all in 1980. Moreover, to take a further example, in 1980 respondents were asked whether the government should legislate against strikes; this question does not have an identical meaning today following the enactment of extensive legislation on strikes and other forms of industrial action, such as secondary picketing, in the 1980s. Critically, too, the 1980 and 1990 data sets are not archived, and this has constrained the use of statistical tests to methods such as chi-square and Z-scores and prevented the use of multivariate and standard logit models. Nor, as a consequence, was it possible to weight the data sets to reflect compositional changes such as the increase in the propor-

tion of respondents in smaller firms and a decline in those in manufacturing. Hence, although longitudinal research is clearly valuable (and, arguably, should be developed more extensively in other areas of industrial relations), it is not without methodological limitations.

4. Results

4.1 Government Involvement

Our previous reports noted that, even though in the 1970s 'corporatist' policies became increasingly influential, Britain's managers themselves were typically not 'corporatist' in outlook (Poole *et al.* 2001: 57–62). To assess our first set of hypotheses, in all our survey years (1980, 1990 and 2000) we asked respondents to what extent they agreed or disagreed with a number of aspects of government involvement in the economy, industry and industrial relations. These were originally 'operationalized' from a series of corporatist policies developed by Winkler (1977). The relevant industrial relations issues are set out in Table 2.

One of the key industrial relations features of the 1970s was the use of prices and incomes policies by successive governments in an endeavour to stem inflationary pressures. At all survey points, respondents have opposed these policies. (Indeed, between 1980 and 1990 opposition to the control of wages and salaries and prices significantly intensified.) However, between 1990 and 2000 Britain's managers appear to be slightly less opposed to such policies, though the differences are not statistically significant. This is despite the fact that inflationary pressures were no longer of any real consequence in the wider macroeconomy and that the control of inflation had been ceded to the Monetary Policy Committee. Hence Hypothesis 1(a) was only partly confirmed. There was an appreciable increase in opposition to prices and incomes policies in the 1980s consistent with increasing flexibility in labour markets, but this did not intensify further in the 1990s.

Hypothesis 1(b) is designed to assess whether there is any link between the industrial relations legislation of the 1980s/early 1990s and managerial attitudes to government intervention in selected areas of industrial relations. The results are again set out in Table 2 and are consistent with the hypothesis. Thus, there is, overall, an evident decline in the degree of commitment to government intervention in selected industrial relations areas (legislation on strikes, compulsory arbitration, tribunals to investigate strikes) between 1990 and 2000. The most relevant variable for what actually occurred in industrial relations in Britain is of course legislation on strikes, where 32 per cent of managers strongly agreed with this mode of government intervention in 1980 compared with only 13 per cent in 2000. The commitment over the years to compulsory arbitration, though, is worthy of emphasis. Indeed, Britain's managers have consistently supported government intervention on selected industrial relations issues, but alongside the decline in trade union influence,

TABLE 2
Attitudes to Government Intervention in Industrial Relations and in Industry (%)^a

<i>The government should:</i>		<i>Strongly agree</i> <i>1</i>	<i>Agree</i> <i>2</i>	<i>Indifferent</i> <i>3</i>	<i>Disagree</i> <i>4</i>	<i>Strongly disagree</i> <i>5</i>	χ^2	<i>d.f.</i>	<i>Sig.</i>
<i>Hypothesis 1(a)</i>									
Control wages and salaries	1980	6.3	26.8	3.8	40.5	20.0	137.71	3	0.000
	1990	1.1	11.7	7.6	43.6	36.0			
	2000	1.2	12.6	9.7	40.1	36.0			
Control prices	1980	7.4	23.5	7.7	40.7	20.7	3.67	3	0.30
	1990	1.9	12.9	8.4	43.4	33.4			
	2000	3.1	14.3	11.4	40.1	31.1			
<i>Hypothesis 1(b)</i>									
Legislate about strikes	1980	32.4	46.5	6.4	10.5	4.3	33.80	3	0.000
	1990	21.2	57.7	7.5	10.8	2.8			
	2000	12.9	45.0	15.3	16.9	9.9			
Have compulsory arbitration	1980	18.7	47.7	16.0	12.9	4.7	1.44	3	0.70
	1990	16.7	49.0	16.9	13.5	3.9			
	2000	12.0	48.0	21.9	12.8	5.2			
Establish tribunals to investigate strikes	1980	16.6	48.4	16.7	13.1	5.2	14.57	3	0.01
	1990	14.7	46.3	20.6	13.8	4.6			
	2000	10.1	46.2	24.3	12.7	6.6			
<i>Hypothesis 1(c)*</i>									
Encourage entrepreneurship	1990	43.9	49.0	5.0	1.1	1.0	6.34	3	0.10
	2000	48.1	45.3	3.8	1.8	1.1			
Reduce regulatory powers over industry	1990	13.0	40.3	19.7	22.7	4.3	38.24	3	0.000
	2000	22.7	40.3	17.3	16.2	3.6			
Encourage share ownership	1990	29.6	51.2	15.7	3.0	0.5	.84	3	0.84
	2000	28.5	50.8	17.1	2.6	1.0			
Reduce monopolies and encourage competition	1990	30.3	54.1	10.7	4.2	1.0	1.75	3	0.63
	2000	30.0	52.2	12.5	4.3	1.0			
Develop an enterprise culture	1990	33.2	52.6	10.2	3.5	0.5	24.81	3	0.000
	2000	42.9	47.4	7.5	1.7	0.5			

^a 1980: $n = 1058$; 1990: $n = 827$; 2000: $n = 1291$.

* The relevant questions were only asked in 1990 and 2000.

and, as a result of the passage of legislation, the importance attached to such intervention has declined.

The era of 'neo-corporatism' of the 1970s was superseded by a sustained period during which the role for government in industry and the economy was reduced and there was increased support for an enterprise culture, though partnership ideologies did emerge at the end of the final survey period. This, then, brings us to Hypothesis 1(c), on whether Britain's managers have supported governmental intervention to foster an enterprise culture. For the most part, it will be seen that attitudes towards entrepreneurship, share ownership, monopolies and competition are fairly consistent over the years. Hypothesis 1(c) seems to be clearly supported by managers' increasing endorsement of governmental deregulation of industry, and not least for the development of an enterprise culture. The impact of macro-level changes in the role of governments in the 1980s and most of the 1990s seem clear from our data. Nevertheless, partnership notions seem to have had little effect so far, though these may have developed too late to affect the 2000 findings.

4.2 Changes in Power Relations

How have changes in power relations affected managers' attitudes towards trade unions and their own membership of trade unions? Our findings (Table 3) at one level clearly support Hypothesis 2(a): managers are profoundly aware of the decline in trade union power. This is particularly reflected in responses to a statement that 'all in all trade unions have more power than management'. In 1980 the majority (53 per cent) of respondents agreed with this statement; this percentage fell to 14 per cent in 1990 and to 12 per cent in 2000.

The related Hypothesis 2(b), predicting a comparable reduction in managerial opposition to trade unions, is also supported. Thus, managers were asked whether they believed that 'trade unions today have too much power'. Not surprisingly, in 1980, 83 per cent of respondents agreed with this proposition; however, by 1990 this percentage had fallen to 32 per cent and by 2000 to 17 per cent. This reduced hostility is again indicated in Table 3. In 1980, 86 per cent of respondents considered that 'trade unions are not acting in the country's economic interests'; by 1990 the respective figure was 60 per cent, and in 2000 it had fallen further to 36 per cent. Moreover, those strongly agreeing with this statement dramatically declined, from 40 per cent in 1980 to 11 per cent in 1990 and only 5 per cent in 2000.

There are, however, three further interesting inferences to be made from our findings on managerial attitudes to trade unions over the twenty-year period. First, it is clear that Britain's managers have become increasingly ascendant in industrial relations. Second, most of this change appears to have occurred in the Thatcher years in the 1980s; in the period covered by the Major and Blair administrations (1990–2000) managers' perceptions of trade union power, particularly *vis-à-vis* themselves, appear to have altered far less dramatically. Third, as again will be noted in Table 3, there are many areas

TABLE 3
Trade Unions: Managers' Attitudes, 1980, 1990 and 2000^a

		<i>Strongly Agree</i> <i>1</i>	<i>Agree</i> <i>2</i>	<i>Indifferent</i> <i>3</i>	<i>Disagree</i> <i>4</i>	<i>Strongly disagree</i> <i>5</i>	χ^2	<i>d.f.</i>	<i>Significance</i>
<i>Hypothesis 2(a)</i>									
All in all, trade unions have more power than management	1980	11.2	41.7	10.5	31.2	5.4	312.83	3	0.000
	1990	2.0	12.1	13.8	61.9	10.2			
	2000	0.9	10.5	19.8	59.2	10.3			
<i>Hypothesis 2(b)</i>									
Trade unions today have too much power	1980	37.6	44.5	7.0	9.2	1.7	550.35	3	0.000
	1990	4.7	27.0	28.1	37.1	3.1			
	2000	2.7	14.3	30.3	47.1	5.1			
Trade unions are not acting in the country's economic interests	1980	40.4	46.2	7.2	5.4	0.8	271.20	3	0.000
	1990	11.4	48.8	19.5	19.0	1.2			
	2000	4.9	31.0	30.4	29.3	4.4			
<i>Additional statements</i>									
Trade union membership should be purely voluntary	1980	51.8	37.2	5.0	5.1	0.8	14.80	3	0.001
	1990	51.2	42.4	3.7	1.4	1.4			
	2000	34.8	54.2	6.6	3.5	1.0			
Unions should be concerned solely with pay and conditions	1980	17.8	26.9	9.6	38.4	7.3	24.57	3	0.000
	1990	10.1	32.5	9.5	40.7	7.3			
	2000	4.1	24.3	13.3	51.4	6.4			
A trade union should be prepared, if necessary, to use any form of industrial action which may be effective	1980	1.9	13.8	5.6	38.8	39.7	7.15	3	0.07
	1990	3.1	11.3	7.3	39.2	39.1			
	2000	2.2	15.5	12.3	48.1	21.9			

^a 1980: *n* = 1058; 1990: *n* = 827; 2000: *n* = 1291.

TABLE 4
Managers' Personal Experience of Trade Unions and Staff Associations^a

Hypothesis 2(c)		Yes: trade union	Yes: staff associations	Both	No	χ^2	Significance
Existence of trade union or staff association at managers' level	1980	22.5	8.9	8.9	59.7	7.14	n.s.
	1990	18.2	8.1	8.2	65.5		
	2000	21.6	11.3	4.0	63.1		
Membership of trade union or staff association	1980	20.2	5.9	4.4	69.5	12.66	0.01
	1990	14.0	6.1	4.5	75.4		
	2000	17.5	8.6	1.3	72.6		

^a 1980: $n = 1058$; 1990: $n = 827$; 2000: $n = 1291$.

of relative consistency as well as change in managerial attitudes. For instance, in all three surveys, even though there are significant overall differences, managers considered that trade union membership should be purely voluntary (1980: 89 per cent; 1990: 93 per cent; 2000: 89 per cent).

It appears to be the case, then, that respondents are very aware of these changes in trade union power. However, when their opinions on *desirable* trade union characteristics and behaviour (e.g. voluntary membership and non-militancy) are examined, there is little change over time.

Over the twenty-year period 1980–2000, managers have clearly been critical of certain aspects of trade unionism. They typically favour a single line of authority rather than a more diverse, pluralistic structure in which trade unions share in decision-making processes (Poole and Mansfield 1993). None the less, many managers joined trade unions or staff associations, as is evident in our 1980 data. This was not least because trade unions had become the main agencies for negotiating managerial salaries and conditions of work, at least in the public sector. Indeed, in all three surveys managers were asked (i) whether a trade union or staff association existed at the manager's level and (ii) their actual membership or otherwise of trade unions or staff associations.

Is the decline in trade unions and in trade union power reflected in a decline in managerial unionism? The answer is apparently 'no' (Table 4). Indeed, the increase in respondents reporting the existence of a trade union or staff association at the manager's level in their firms between 1990 and 2000 is significant. Moreover, between 1990 and 2000 management membership of trade unions or staff associations clearly appears to have grown, albeit modestly.

4.3 Institutions, Continuities and Changes

This section examines managers' experiences of collective bargaining and employee participation. Hypothesis 3 proposes that institutional processes have affected managerial experiences of collective bargaining. The relevant

data are set out in Table 5, which highlights managerial experiences of collective bargaining in 1980, 1990 and 2000. It will be seen that the reported likelihood of managers being personally involved in collective bargaining with trade unions has declined over the survey years. Thus, in 1980, 20 per cent of respondents reported that they had experienced formal collective bargaining; by 1990 there was a decline to 17 per cent, and by 2000 the respective figure had nearly halved to only 10 per cent. The vast majority of Britain's managers now have no direct experience of formal collective bargaining.

Moreover, the same patterns are evident in respect of informal meetings with union representatives and the handling of individual grievances brought by union representatives. In 1980 roughly half of Britain's managers appear to have had to deal informally with trade union representatives; this now applies to only about one in seven. In 1980, 42 per cent of respondents reported that they were involved in handling individual grievances brought by union representatives; by 1990 this had declined to 38 per cent, and by 2000 to 23 per cent.

However, even though collective bargaining in Britain is no longer a dominant industrial relations institution — and on the face of it this may lend little support for an institutionalist thesis — the data clearly sustain the notion of a 'lag effect' of institutional processes. Hence, in terms of perceptions of trade union power by our respondents, the most significant changes appear to have occurred between 1980 and 1990. However, in terms of *experience* of collective bargaining on each of our three measures (formal, informal, handling individual grievances), the most dramatic changes appear to have occurred in the 1990s. This suggests that institutional processes did impede the decline of collective bargaining in the 1980s, even when trade union power had waned considerably.

Hypothesis 3 also entails assessing managerial experiences of various forms of employee participation and involvement. On one view, there appears to have been a shift from the 1980s onwards from trade union channels (e.g. collective bargaining) towards more group or individual forms (see e.g. Millward *et al.* 2000). To the extent that this has occurred, from an individual employee's point of view the patterns of employee involvement may have changed from collective forms but the extent of participation may not have altered so dramatically. However, on the basis of our data, although it is clear that trade union modes of participation have, on the whole, significantly declined, it is not entirely obvious that there has been a commensurate increase in non-union forms. It has to be admitted that our data are not particularly well designed to test for such changes (because the 1980 questions were formulated in an era of trade union strength and the various items reflect that situation). However, in each of the survey years we asked respondents to what extent they were involved in: (i) regular meetings between supervisors and workgroups; (ii) joint consultation/works council committees; (iii) management committees where there is employee or union representation.

The results are set out in Table 5, where, in terms of regular meetings between supervisors and workgroups, it seems that experiences were greatest

TABLE 5
Managers' Experience of Collective Bargaining and Employee Participation, 1980, 1990 and 2000 (%)

<i>Hypothesis 3</i>	<i>All managers</i>					<i>Private-sector managers</i>					<i>Public-sector managers</i>				
	<i>1980</i> <i>(n =</i> <i>1058)</i>	<i>1990</i> <i>(n =</i> <i>827)</i>	<i>2000</i> <i>(n =</i> <i>1291)</i>	<i>1980–</i> <i>90</i> χ^2	<i>1990–</i> <i>2000</i> χ^2	<i>1980</i> <i>(n =</i> <i>731)</i>	<i>1990</i> <i>(n =</i> <i>497)</i>	<i>2000</i> <i>(n =</i> <i>802)</i>	<i>1980–</i> <i>90</i> χ^2	<i>1990–</i> <i>2000</i> χ^2	<i>1980</i> <i>(n =</i> <i>320)</i>	<i>1990</i> <i>(n =</i> <i>169)</i>	<i>2000</i> <i>(n =</i> <i>802)</i>	<i>1980–</i> <i>90</i> χ^2	<i>1990–</i> <i>2000</i> χ^2
Formal collective bargaining	20.0	17.4	9.5	2.02	29.23***	23.3	17.8	8.4	5.21*	25.53*	17.0	16.1	14.1	0.66	0.002
Informal meetings with union representatives	48.5	31.3	13.9	57.01***	93.60***	42.0	31.9	14.2	12.91*	58.42**	62.4	27.8	14.8	52.24***	11.57**
Handling individual grievances brought by union representatives	42.2	38.2	22.7	2.9	59.23***	38.8	32.2	18.1	5.86*	34.01**	49.7	61.4	34.3	6.15*	32.29***
Regular meetings between supervisors and workgroups	86.9	63.8	66.2	13.85***	1.26	—	61.3	64.0	—	0.89	—	73.1	74.1	—	0.03
Joint consultation/works council committees	37.1	34.7	24.3	1.30	26.73***	33.0	29.8	18.6	1.27	21.82*	46.2	51.4	38.0	1.3	7.93
Management committees where there is employee or union representation	26.3	35.0	26.7	16.39***	15.61**	22.9	29.4	21.1	6.42	11.51*	33.0	53.5	41.4	18.2*	6.08

Notes

All managers (1980: $n = 1058$; 1990: $n = 827$; 2000: $n = 1291$).
 Private-sector managers (1980; $n = 731$; 1990; $n = 497$; 2000; $n = 802$).
 Public-sector managers (1980; $n = 320$; 1990; $n = 169$; 2000; $n = 297$).
 Significance levels: * 0.05 ** 0.01 *** 0.001.

in 1980 (when 86.9 per cent of respondents reported such practices); there was then a sharp fall to 63.8 per cent recorded in 1990, with some, albeit modest, advance in the 1990s (66.2 per cent in 2000). Hence, while regular meetings between supervisors and workgroups are clearly common in British firms, their incidence seems not to have increased.

Although the patterns are complex, the same conclusion applies to managers' experiences of joint consultation/works council committees and management committees, where there is employee or union representation. Indeed, managers' reported involvement in joint consultation/works council committees, having altered very little in the 1980s, fell appreciably in the 1990s (1990: 34 per cent; 2000: 24.3 per cent). On the issue of management committees where there is employee or union representation, there is a complex pattern, for these practices appear to have become more common (in both private and public sectors) between 1980 and 1990, only for a decline to have occurred (again in both sectors) in the 1990s. Thus, the respective percentages of respondents reporting experience of management committees where there is employee or union representation rose between 1980 and 1990 from 26.3 to 35 per cent, only to fall to 26.7 per cent in 2000.

These findings are clearly interesting, for they again support the case for a 'lag effect' of institutional processes, since the decline in trade union modes of employee participation were principally a phenomenon of the 1990s and not the 1980s. However, on the basis of our limited data, the case that trade union forms have been superseded by other non-union forms is not sustainable. Indeed, to take this argument further, there are some additional findings on employee involvement from the 1990 and 2000 surveys that merit a brief examination at this point.

Respondents were asked to what extent they experienced a variety of types of employee involvement, and in all cases a decline was reported between 1990 and 2000. These included job design involving employees or their representatives (52 per cent; 41 per cent), quality circles (40 per cent; 35 per cent), new technology agreements (32 per cent; 20 per cent) and profit-sharing (27 per cent; 19 per cent). Moreover, although respondents typically supported profit-sharing and employee shareholding schemes, those strongly agreeing with these non-union forms of employee participation typically fell between 1990 and 2000. These covered profit-sharing through shares in the company (38 per cent; 26 per cent), profit-sharing through cash awards (33 per cent; 23 per cent), Save As You Earn share ownership schemes (28 per cent; 26 per cent) and executive share schemes (27 per cent; 17 per cent).

Moreover, our findings on profit-sharing and share ownership schemes are reasonably consistent with WERS 98, which found that profit-sharing in all establishments, after an appreciable rise in the 1980s, was fairly stable between 1990 and 1998, and that employee share ownership actually declined between 1990 and 1998 (Millward *et al.* 2000: 214). WERS 98 also suggested either a stable or declining pattern for the existence of joint consultancy committees (Millward *et al.* 2000: 109). However, some direct forms of involvement (e.g. problem-solving groups and briefing groups) do appear to have increased in

Britain in the 1990s (Millward *et al.* 2000: 118). Moreover, although direct comparisons are difficult to make with the CIPD surveys of Guest and his colleagues (2000a, b), there is a higher incidence of job design and involvement in quality initiatives found in *Effective People Management* (Guest *et al.* 2000a).

5. Conclusions

Our most significant findings in this longitudinal research are the evidence of a relationship, from 1980 until the late 1990s, between macro-level political and economic movements and managerial attitudes, the impact of changes in power relations, and the 'lag effect' of institutions.

Thus, the decline in neo-corporatism and the rise of neoliberalism between 1980 and 2000 was clearly reflected in our data and not least in the support by managers for flexibility in labour markets. There was the overwhelming (and increasing) support for government intervention to develop an enterprise culture. Moreover, even though there may simply be a delay here, there was no real evidence to suggest that these views had been tempered by the discourse of partnership in the period just before 2000 survey.

Unions are weaker today, and managers are less hostile to them. Importantly, in terms of the conclusions of this research, it was during the 1980s rather than the 1990s that the sharpest falls in trade union power were seen to have occurred. It was also in the 1980s that managerial membership of trade unions fell appreciably. By contrast, certain other changes in Britain's industrial relations (notably, the decline in collective bargaining) were seen as phenomena of the 1990s. This we have explained by a so-called 'lag effect' of institutions, whereby, because of the continuities implied in institutional structures and processes, it takes some time for certain industrial relations forms to adapt to macro-level movements and changes in power relations. However, while on the basis of the 1990 data we concluded that institutional forces had limited the decline in collective bargaining, this does not appear to have been the case in the 1990s. Our data are also consistent with the so-called 'hollow shell' thesis of a substantial reduction in *effective* collective bargaining set out in WERS 98 (Millward *et al.* 2000; 138–83). They also support the view that institutions delay, but do not mitigate entirely, the effects of other important forces, at least over protracted time periods, while reinforcing the theoretical point that institutional change may stem from persistent incremental movements as well as major transformations.

Our most unexpected findings are the modest rise of managerial unionism in the 1990s and the lack of any real evidence of the replacement of representative, trade-union-based modes of employee participation by individual or group forms, and particularly by employee financial participation. However, there are discrepancies between our findings on employee participation and the WERS 98 data and that of Guest *et al.* (2000a, b) that may relate to the nature of longitudinal research and to the characteristics of CMI

membership. Some of the questions used in our surveys did change over time, but it seemed important to us in longitudinal research to keep many of them identical. However, this does mean that our research will not have captured fully the emergence of recent, rather different, forms of employee involvement. Given, too, that many of these are group-based, it is likely that the relatively senior managers studied here were disengaged from them. Indeed, there is a more general point: empowerment to workgroups may well mean that senior managers are no longer involved in the forms of communication and participation that they once were involved in with representative practices (whether union or non-union-based). Moreover, this may imply further that the very meaning of managerial involvement in industrial relations has altered during our survey periods.

Despite the clear evidence of a link between managerial attitudes and macro-level changes, it is not our view that managers' views largely follow movements in government policies (even after some delay), and certainly not in any simple causal sequence. Indeed, there are patterns of continuity that we have explained by the centrality of control at enterprise level to managers (see Poole and Mansfield 1993). Indeed, as Flanders (1970) pointed out more than a quarter of a century ago, managerial authority in the enterprise is potentially subject to two main challenges: from 'above' (via the state and centrally organized trade unions) and from 'below' (via shop steward organizations within the enterprise). This provides an insight into why the exercise of regulatory powers by the government (with the exception of legislative curbs on trade unions) will tend to be opposed, as will strong trade unions. Other continuities can be explained, at the level of ideas, by the managerial preference for a free enterprise system over state planning, for the enterprise culture more generally, and for unitarism rather than pluralism in the employment relationship (see again Poole and Mansfield 1993). Indeed, over time there are undoubtedly quite complex patterns of continuity and change in both managerial attitudes *and* behaviour, though the forces underlying these movements are increasingly well understood. Finally, the argument that our knowledge of the managerial role in industrial relations is in a 'primitive state' is clearly no longer the case, and it is hoped that the studies reported in this paper have contributed to the transformation in this state of affairs.

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