

EMPLOYEE VOICE: A TOOL FOR ENHANCING ORGANIZATIONAL PERFORMANCE

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ABSTRACT

This study has assessed the level of employee voice in public & private sector organizations and the impact of employee voice on organizational performance. Close ended questionnaire was administered from 400 samples (200 from public organizations, in which half for faculty members and half for students and 200 from private organizations, in which half for faculty members and half for students). Public and private educational institutes of Hyderabad and Jamshoro districts were selected for this study. Through the questionnaire employee voice, employee satisfaction and customer satisfaction were measured. Data was analyzed through SPSS 16.0 and the statistical techniques used to analyze the data include correlations and non-parametric tests i.e. two independent samples t-test and two-way ANOVA. Findings of research showed that employee voice was more in public sector organizations than private sector organization. It was observed that the impact of qualification was different for public and private organizations on employee voice. And the important finding of this study showed that employee voice increases organizational performance. This study has implication for the management and the customers of both categories of the educational institutes.

Keywords: *Employee Voice, Private and Public Organizations, Employee Satisfaction, Customer Satisfaction, Organizational Performance.*

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INTRODUCTION

Employee Voice (EV) is defined as the two way communication between employer and employee in workplace. It is the process in which employer communicates to the employees as well as listens back from the employees (CIDP Factsheets, 2013). It can be expressed as paying attention to employees' views, involving them in decision making, and gaining access to their knowledge and expertise. Voice is about sharing information with employees, encouraging them to express opinions on decisions that affect them and making sure that their suggestions are being listened and acted upon (Wilkinson & Fay, 2011). Due to promotion of employee voice, the employees feel more secure and more participated in the organization. Employees often have ideas, information, and suggestions that can have tremendous effects on organization's performance. Top managers need information for many aspects like making good decisions, dealing with dynamic business conditions and solutions to the problems before they rise. Employees at lower level are the major source of getting all these type of information. Therefore if there is effective employee voice, top managers will better know about what is going on in the organization (Van Dyne et al. 2003). Expressing grievances and participation in decision making by employees will result to improved organizational efficiency (Dundon et al. 2004). For enhancing voice in organizations, management has to build the culture of voice in organizations and provide the channels for expression of voice. Organizations have to use multiple channels for access of employee voice and make sure they support individual and collective voice of employees. Voice is witnessed as helpful information that aware management towards the possible problems and necessary changes for endurance. According to IPA and Tomorrow's Company (2012a), voice is about to enable the conversations across the organization, it means the things that employees say will help organization in meeting its objectives and goals both in short term and long term.

This paper has four parts; first part is introduction, second part provides the literature review on the topic, third part mentions the research methodology of the paper, and fourth part discusses the conclusions and findings.

LITERATURE REVIEW

Burris et al. (2013) conducted a research on the outcomes of Employee Voice. The focus of their study was on investigating the agreement and disagreement of managers and employees on voice adaptability. Their findings showed that agreement of both parties on voice adaptability leads to favorable outcomes for employees and the disagreement on voice adaptability results sometimes in negative and sometimes in positive. They further discussed that assessing voice alone by either manager or employee perspective will mislead the true picture. Afrane et al. (2012) investigated the relationship of Employee Voice to organizational performance and discovered the ways for advancing Employee Voice. Also identified the challenges faced by labor and management for participation and decision making. They found that there is clear connection between voice and performance. Employee Voice helps to generate healthy and supportive environment within the firm. If employees are not able to voice, it is because they have lack of confidence that it might not be taken seriously. Some employees believe that their participation in decision making might be the reason for discrimination and some believe that their involvement is not worthy and their voice gets no importance because of delayed implementation. In contrast, when employees take part in decision making and become involved in the whole process, they place themselves completely to accomplish the decided goals. They further suggested two methods of Employee Voice, upward problem solving and representative participation. Morrison (2011) investigated the appropriate aspects and effects of Employee Voice. She proposed that voice is flexible communication of suggestions, ideas or opinions about job related concerns with the objective of improving organizational functioning. Further, it was discussed that whether voice is good or bad depends on the message

being conveyed and the response being taken. Kim et al (2010) observed the significance of direct and indirect voice and their effects on organizational outcomes. They used team voice as a substitute for direct participation and representative voice as a substitute for indirect participation. Direct participation is related with voicing on particular job tasks, while indirect participation relates with voicing on organizational issues. Hence, organization level concerns are not addressed by team voice and similarly performance aspects of job task are not addressed by representative voice. Researchers measured employee voice in relation with various job related issues and recognized that team voice is good forecaster for performance outcomes and is theoretically different from individual voice. Their findings showed that when examined solely neither type of voice had direct relationship to productivity, team voice increases employee output only when combined with representative voice. A combination of low team and low representative voice resulted in lower labor efficiency, whereas high level of both team and representative voice resulted in superior labor productivity. Imran et al (2010) conducted a research to find the impact of effective Employee Voice on employee turnover in banking sector of Pakistan. They also investigated the difference of perception between male and female employees. Their findings showed that male workers were more anticipated to quit than female workers when there was lower or no Employee Voice. It was also found that high skilled/qualified workers were more attentive toward voice regime and willing to quit the organization than low skilled. Hamdan et al (2009) investigated the latest system of workers' representation organizations in Saudi Arabia. These organizations provided workers a channel to voice their problems and interests within the organization in order to enhance the performance level and eliminate the concerned difficulties. The results showed that employees of only large firms had the opportunity to affect the decision making, while condition in small firms was bad. They found that employees relied on workers' committees and support the formation of these committees in their organizations. Wilman et al (2006) conducted a study on determining

Employee Voice as a choice of management, whether they adopt it or not depend upon them. The researchers used cost benefit approach for examining the managements' choice of voice and no-voice regime. It was found by the researchers that management will avoid voice adoption when cost of voice exceeds its benefit because they expect high return when the cost is high. Wilkinson et al (2004) conducted an exploratory study to examine the different mechanisms of Employee Voice. They looked that how voice was described by managers and how it can enhance economic efficiency. They observed that the relation of voice with performance of organization was challenging. Organizations face so many problems in regard with expressive employees who are more willing to voice, so managing these employees will be same as managing the diversity.

HYPOTHESES

- H1: Employee Voice is more in public organizations than private organizations.
- H2: Impact of Education is different for public and private organizations on Employee Voice.
- H3: Employee Voice increases organizational performance.
- H3 (a): Employee Voice increases employee satisfaction.
- H3 (b): Employee satisfaction increases customer satisfaction

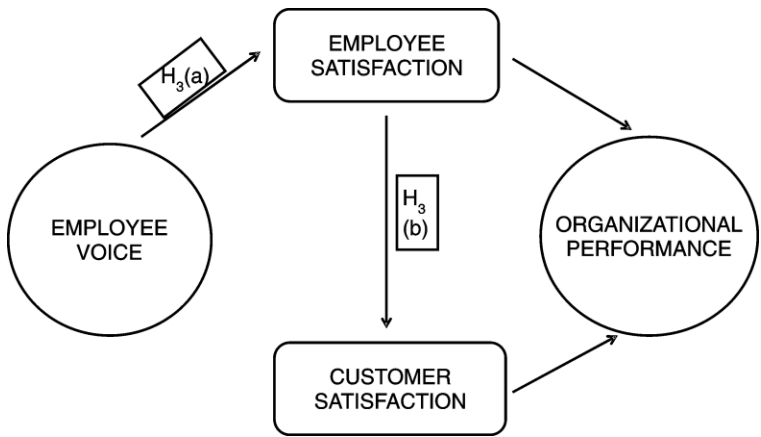


Figure I: Diagram for designing of H₃

RESEARCH METHODOLOGY

Through the questionnaire employee voice, employee satisfaction and customer satisfaction were measured. For measuring employee voice 26 questions were adopted from six different scales which were presented in the worker voice literature review final report, prepared by Gallop Inc. USA in December, 2010. Employee satisfaction was measured by 25 questions adopted from Employee Responses to Dissatisfaction Scale developed by Leck & Saunders (1992) and Customer satisfaction was measured by nine questions, adopted verbatim from Customer Satisfaction Scale developed by Oliver (1997). Mann Whitney test was conducted to assess the level of EV in public and private organizations. The impact of education on EV for both sectors was analyzed through two-way ANOVA. In this study, the data was not normally distributed thus Spearman's correlation was conducted to analyze the strength of association and link between two continuous variables; employee voice & employee satisfaction.

Data Analysis

Hypothesis 1 was measured through Two Independent samples t-test/Mann-Whitney test. In this test, there was one continuous variable i.e. EV and one categorical variable i.e. Organization, which was further categorized as public and private. The results showed that the mean score of public organizations on EV (109.48) was more than private organizations (91.52) as shown in Table I, and Table II shows significant value $p = 0.028$, which is less than 0.05. Therefore, alternative hypothesis was accepted and null hypothesis was rejected.

H₀: EV is not more in public organizations than private organizations.

H_A: EV is more in public organizations than private organizations.

Hypothesis 2 was tested through two-way ANOVA to see the impact of education on EV for both sectors. For two-way ANOVA, two categorical variables and one continuous variable are required. Here

two categorical variables are Qualification & Organization and one continuous variable is EV. Qualification is divided into four groups (Group1: Graduation; Group 2: Masters; Group 3: M.Phil; and Group 4: PhD) and Organization is divided into two groups; Public & Private.

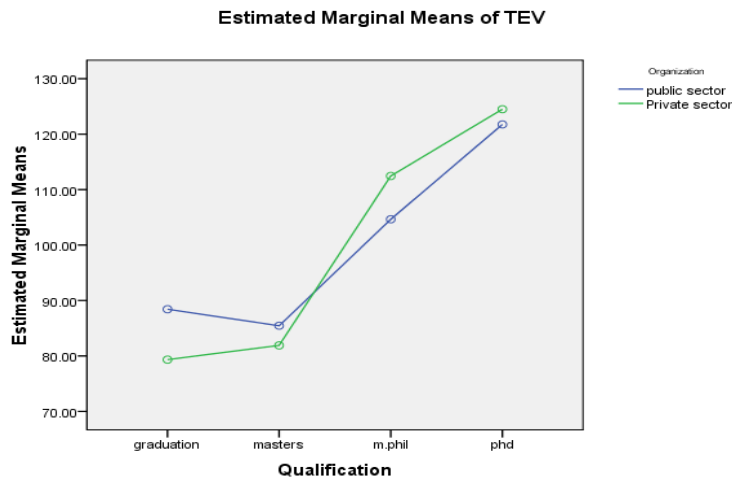


Figure II: Profile Plots of qualification on EV

Table III provides mean scores, standard deviations and number of the cases for each group. The overall mean score for qualification in both sectors is 90.4550 and standard deviation is 16.19008. The between-Subjects Effects for Qualification*Organization is .015 which is less than .05 as shown in Table IV. This indicates that interaction effect is significant i.e. there is significant difference in the effect of qualification on EV in public and private sector organizations. Further, Table V shows Post Hoc comparisons of qualification on EV by using Tuckey HSD test that shows that as the qualification of employees' increases, the level of voice increases. Multiple comparisons between subjects shows significant difference at all groups as the mean difference (I-J) for Graduation to Masters is 3.4123, $p= 0.305$, (I-J) for Graduation to M.Phil is -20.9955, $p= 0.000$, and (I-J) for Graduation to PhD is -36.4062, $p= 0.000$, this shows difference in every category on EV. The mean difference (I-J) for Masters to Graduation is -3.4123, $p= 0.305$, (I-J) for Masters to M.Phil is -24.4078, $p= 0.000$, and (I-J) for

Masters to PhD is -39.8185, $p = 0.000$. The mean difference (I-J) for M.Phil to Graduation is 20.9955, $p = 0.000$, (I-J) for M.Phil to Masters is 24.4078, $p = 0.000$, and (I-J) for M.Phil to PhD is -15.4107, $p = 0.000$. The mean difference (I-J) for PhD to Graduation is 36.4062, $p = 0.000$, (I-J) for PhD to Masters is 39.8185, $p = 0.000$, and (I-J) for PhD to M.Phil is 15.4107, $p = 0.000$. Mostly the values are significant i.e. p is less than 0.05, which shows that as qualification increases the level of voice increases in both organizational sectors. The same impact is further plotted in Figure II, which shows clear picture of the phenomena. In private organizations the difference is significantly more as compared to public organizations. The figure also shows that graduated employees' voice is more in public organizations, while M.Philraise more voice in private organizations. As the results supported the hypothesis, that's why alternative hypothesis was accepted and null hypothesis was rejected.

H₀: Impact of Education is not different for public and private organizations on EV.

H_A: Impact of Education is different for public and private organizations on EV.

Hypothesis 3 (a) was tested through non-parametric correlations i.e. Spearman's Correlation that showed the relationship between two continuous variables EV and employee satisfaction. The results in Table VI shows that there is a correlation of 0.224 and $p = 0.001$ ($p < 0.05$). This indicates that there is a positive and significant relation with the moderate strength of 22.4% between both the variables. Therefore, alternative hypothesis was accepted while null hypothesis was rejected.

H₀: EV does not increase employee satisfaction.

H_A: EV increases employee satisfaction.

Hypothesis 3 (b) was analyzed through Spearman's Correlation. The two continuous variables tested are employee satisfaction and customer satisfaction. Table VII shows the relation of employee

satisfaction to customer satisfaction, $r = 0.083$ and $p = 0.244$ ($p > 0.05$). This shows that there is positive but insignificant relationship between both variables with 8.3% of minor strength. Thus, null hypothesis was accepted and alternative hypothesis was rejected.

H₀: Employee satisfaction does not increase customer satisfaction.

H_a: Employee satisfaction increases customer satisfaction.

CONCLUSIONS & COMMENTS

Hypothesis 1 assumed that 'EV is more in public organizations than private organizations'. Two Independent samples t-test (nonparametric test) was conducted to measure this hypothesis. It is proved that EV is more in public organizations than private organizations because employees in public organizations have more problems regarding discrimination, corruption, inequality, injustice, power etc. The rules and regulations are not truly followed and much more politics is involved in public organizations, so to overcome their problems employees raise more voice (make unions) in public organizations. While in private organizations, rules and regulations are strictly followed, employees' concerns are resolved in proper way and all things are under the management's control. So employees in private organizations raise lesser voice. Also in private organizations, employees are suppressed of showing their inner feelings.

In Hypothesis 2, it was supposed that the 'Impact of education/qualification is different for public and private organizations on EV'. This hypothesis was tested through two-way ANOVA. The results of multiple comparisons between different categories of qualification showed that the effect of qualification on EV is different in each category of qualification and the influence of qualification is also different for both sectors. As the Qualification increases, the level of voice increases in both sectors. In private organizations the difference is significantly more as compared to public organizations, this is because in private organizations employees are listened on the basis of their skills, qualification and

expertise. Private organizations judge their employees more and their employees are more sophisticated than employees of public organizations. This finding is backed by the study of Ahmed Imran Hunjra et al (2010) who conducted a research in banking sector of Islamabad that high skilled/qualified workers are more attentive toward voice regime and are willing to quit the organization than less skilled workers when their voice is not listened by management.

Hypothesis 3 supposed that ‘EV increases organizational performance’. This hypothesis was further divided in two other hypothesis i.e. ‘EV increases employee satisfaction’ & ‘Employee satisfaction increases customer satisfaction’. This hypothesis was tested through Spearman’s Correlation. It was proved that EV increases organizational performance. When employees are allowed to raise voice regarding work related problems, give suggestions and take part in decision making than their satisfaction level is increased. And satisfied employees give quality service to the customers so again customer satisfaction is increased. Hence, when both employees and customers are satisfied the performance of organization is enhanced. The study of Seth Afrane et al. (2012) in Ghana, South Africa has also confirmed that EV results in improved performance, because it helps to generate healthy and supportive environment in the organization. The study of Jaewon et al. (2010) in USA also give some background to this finding that team voice is good forecaster for performance outcomes and is theoretically different from individual voice. They found that team voice increases employees’ output when combined with representative voice.

Table I: Mann-Whitney Test for Organization

	Organization	N	Mean Rank	Sum of Ranks
TEV	public sector	100	109.48	10947.50
	Private sector	100	91.52	9152.50
	Total	200		

TEV: Total Employee Voice

Table II: Test Statistics for Organization

	TEV
Mann-Whitney U	4.102E3
Wilcoxon W	9.152E3
Z	-2.194
Asymp. Sig. (2-tailed)	.028

Table III: Descriptive Statistics for Qualification

Dependent Variable: TEV				
Qualification	Organization	Mean	Std. Deviation	N
Graduation	public sector	88.4231	9.64644	26
	Private sector	79.3333	10.34730	6
	Total	86.7188	10.26184	32
Masters	public sector	85.4490	8.97696	49
	Private sector	81.9067	11.71644	75
	Total	83.3065	10.81942	124
M.Phil	public sector	1.0465E2	7.84172	17
	Private sector	1.1245E2	7.97952	11
	Total	1.0771E2	8.66606	28
Phd	public sector	1.2175E2	4.77344	8
	Private sector	1.2450E2	3.38062	8
	Total	1.2312E2	4.24068	16
Total	public sector	92.3900	14.05537	100
	Private sector	88.5200	17.93787	100
	Total	90.4550	16.19008	200

Table IV: Between-Subjects Effects for Qualification*Organization

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	33413.337 ^a	7	4773.334	48.883	.000
Intercept	998343.093	1	998343.093	1.022E4	.000
Qualification	32082.794	3	10694.265	109.519	.000
Organization	6.739	1	6.739	.069	.793
Qualification * Organization	1047.783	3	349.261	3.577	.015
Error	18748.258	192	97.647		
Total	1688583.000	200			
Corrected Total	52161.595	199			
a. R Squared = .641 (Adjusted R Squared = .627)					

Table V: PostHoc tests of Qualification on EV

(I) Qualification	(J) Qualification	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
graduation	masters	3.4123	1.95932	.305	-1.6656	8.4902
	m.phil	-20.9955 [*]	2.55712	.000	-27.6228	-14.3683
	phd	-36.4062 [*]	3.02563	.000	-44.2477	-28.5648
masters	graduation	-3.4123	1.95932	.305	-8.4902	1.6656
	m.phil	-24.4078 [*]	2.06758	.000	-29.7663	-19.0494
	phd	-39.8185 [*]	2.62496	.000	-46.6216	-33.0155
m.phil	graduation	20.9955 [*]	2.55712	.000	14.3683	27.6228
	masters	24.4078 [*]	2.06758	.000	19.0494	29.7663
	phd	-15.4107 [*]	3.09683	.000	-23.4367	-7.3847
phd	graduation	36.4062 [*]	3.02563	.000	28.5648	44.2477
	masters	39.8185 [*]	2.62496	.000	33.0155	46.6216
	m.phil	15.4107 [*]	3.09683	.000	7.3847	23.4367
The error term is Mean Square (Error) = 97.647.						

(I) Qualification	(J) Qualification	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
graduation	masters	3.4123	1.95932	.305	-1.6656	8.4902
	m.phil	-20.9955 ⁻	2.55712	.000	-27.6228	-14.3683
	phd	-36.4062 ⁻	3.02563	.000	-44.2477	-28.5648
masters	graduation	-3.4123	1.95932	.305	-8.4902	1.6656
	m.phil	-24.4078 ⁻	2.06758	.000	-29.7663	-19.0494
	phd	-39.8185 ⁻	2.62496	.000	-46.6216	-33.0155
m.phil	graduation	20.9955 ⁺	2.55712	.000	14.3683	27.6228
	masters	24.4078	2.06758	.000	19.0494	29.7663
	phd	-15.4107	3.09683	.000	-23.4367	-7.3847
phd	graduation	36.4062 ⁺	3.02563	.000	28.5648	44.2477
	masters	39.8185 ⁻	2.62496	.000	33.0155	46.6216
	m.phil	15.4107 ⁺	3.09683	.000	7.3847	23.4367
*. The mean difference is significant at the .05 level.						

Table VI: Correlations between total EV and total Employee satisfaction.

			TEV	TES
Spearman's rho	TEV	Correlation Coefficient	1.000	.224**
		Sig. (2-tailed)	.	.001
		N	200	200
	TES*	Correlation Coefficient	.224**	1.000
		Sig. (2-tailed)	.001	.
		N	200	200
**. Correlation is significant at the 0.01 level (2-tailed).				

^{*}TES: Total Employee Satisfaction

Table VII: Correlations between total EV and total Customer Satisfaction.

			TES	TCS
Spearman's rho	TES	Correlation Coefficient	1.000	.083
		Sig. (2-tailed)	.	.244
		N	200	200
	TCS [*]	Correlation Coefficient	.083	1.000
		Sig. (2-tailed)	.244	.
		N	200	200

^{*} TCS: Total Customer Satisfaction

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