IRRU**BRIEFING**

Small, Satisfying But Not All That Beautiful: Employee Commitment and the Small Firm

Paul Edwards, Sukanya Sen Gupta, Chin-Ju Tsai.
Small firms, employing fewer than 250 employees, account for about 60 per cent of employment in most modern economies. The situation of workers in these firms has attracted a less than commensurate interest among researchers.

A limited but important line of debate has been characterised by three positions:

- 'Small is beautiful': close working relationships and the absence of bureaucracy generate harmony.
- Autocracy: small firms often pay low wages and operate in competitive markets, leading to autocracy in the workplace.
- Contingency: small firms are shaped by their market situations, and little if anything of their workplace relations depend on size alone.

Though the third is an advance on the first two, it leaves open the question of just what it is about the market that leads to certain workplace relationships rather than others. And in extreme form it denies that enterprise size plays any role at all.

New research by Paul Edwards, Sukanya Sen Gupta and Chin-Ju Tsai, conducted under the ESRC/EPSRC Advanced Institute of Management Research (AIM) programme, has moved beyond these stereotypical positions. It is based on two sources. First, their own primary research has addressed employment relations in 89 firms, in 32 of which data on employee attitudes were collected (with a total sample of 384 employees). These firms were chosen to offer as specific a view as possible of distinctive types of small firm. With one exception, the firms had fewer than 100 employees. And they came from three tightly defined sectors: ICT; media and TV production; and food manufacturing.

Second, the authoritative 2004 Workplace Employment Relations

Also in this issue

Exploring the Involvement of Stakeholders in Diversity Management

It is widely held that diversity management contributes to business success. Yet, although there are now a number of good practice guides, little is known about its actual practice in the UK. Lack of knowledge about diversity management processes and outcomes means that organisations are experiencing significant difficulty when implementing diversity policies. This leaves them unable to secure the gains from effective diversity practice that can contribute to business outcomes.

Temporary Agency Work in Europe

Temporary agency work is a significant and growing employment practice across Europe, though regulation differs between countries and has been controversial at European level. The European Foundation for the Improvement of Living and Working Condition therefore commissioned a report by Jim Arrowsmith to investigate the extent and regulation of temporary agency work in the enlarged European Union.

In this Issue

This issue of IRRU Briefing carries features from two of our research projects together with a third highlighting key findings from a research report undertaken for the European Foundation for the Improvement of Living and Working Conditions.

Although over one-third of Britain's workforce is employed in firms with fewer than 250 employees, employment practice in small firms has in the past been rather neglected by industrial relations researchers. Recent years have, however, seen growing awareness amongst both researchers and policy makers of the need to understand the nature of employment relationships in such organizations. The most recent editions of the Warwick text, Industrial Relations, edited by Paul Edwards have each contained a chapter analysing employment relations in small firms. The Workplace Employment Relations Surveys, the authoritative portrait of employment relations at the workplace, have enhanced their scope to include smaller workplaces – extending below 25 employees to those employing more than 10 in 1998, and then extending again in 2004 to include those employing more than 5 employees. Our first feature reports key findings from one strand of IRRU's major project under the Advanced Institute of Management research programme funded by ESRC and EPSRC. Examining employee satisfaction in small firms, it demonstrates that such firms are neither a paradise of harmonious interests nor some kind of purgatory characterized by autocratic management and sweatshop conditions. According to the sector, differing combinations of market and workforce characteristics underpin a varying degree of employee satisfaction at work.

Longer-established concern to ensure equal opportunity in employment policy and practice has, more recently, been accompanied by growing attention to issues raised by, and the benefits inherent in, workforce diversity. Much of the debate has, however, focused on management initiatives and action. The second feature reports on a European-funded project which places a range of stakeholders, including employees and trade unions as well as managers, centre stage in understanding the success and/or problems encountered by organisations' diversity initiatives.

The third feature examines trends in temporary agency work across the countries of the enlarged EU, and the ways in which agency work is regulated. It points to some common features of the legislative framework governing the use of agency work across many EU member states, but which do not extend to the legal framework found in the UK. It suggests that UK opposition to the EU's proposed directive on temporary agency work stems from this, as well as from the more extensive use of agency workers in Britain's labour market.

The issue includes a research update on IRRU's activities, covering new research projects, international links, selected recent publications and forthcoming events. We hope that you enjoy IRRU Briefing, and would be interested to receive any feedback.

Paul Marginson, IRRU Director

Small, Satisfying But Not All That Beautiful: Employee Commitment and the Small Firm

Survey (WERS) was analysed in relation to the size of firm and employee attitudes – in collaborative work embracing Warwick colleagues from the Centre for Small and Medium-sized Enterprises, David Storey and George Saridakis, and Robert Blackburn of Kingston University. WERS 2004 has data on over 600 small and medium-sized enterprises (SMEs) and 4,000 of their employees.

There are three key findings. First, there is a genuine size effect which, other things being equal, tends to promote employee satisfaction at work. Second, the effect works differently in different sectors. Third, satisfaction does not mean harmony or shared interests between managers and workers. These three conclusions are developed in turn below.

Size and 'morale'
The WERS analysis addressed an index of 'employee needs', made up of employee reports on 22 items including satisfaction with pay and views of how fairly managers treated workers. Even after controlling for a wide range of factors embracing employees' individual characteristics (such as age and education) and those of their workplaces (including sector and a set of HR practices) the index showed a more positive picture the smaller the size of the firm.

The more detailed study of 89 firms supported this result. Though the three sectors were deliberately chosen to be very different, on several key indicators such as employee attitudes to management and satisfaction with job autonomy there was remarkable similarity across all the firms.

Interviews with managers and with some of the employees in the Warwick sample, together with more in-depth investigation in six firms, suggested a key reason for the result. Workers and managers work alongside each other, and the level of effort expended by managers is visible to workers. As we will see, this does not mean that there is a sense of harmony. But it does mean that there is awareness of a shared endeavour.

Wage-effort bargains and the sectoral context
This generic tendency within small firms was shaped by two factors. The first is the overall market situation of the firm. The firms studied had established niches in their markets which meant that rewards were felt to be reasonable. For those adopting an 'autocracy' perspective, such a position might be written off as unusual. But the WERS evidence shows that small firms often have considerable longevity; also that market conditions as a whole are not worse than those facing large firms.

A minority of small firms are indeed under intense pressure. Other research by Edwards – with associate fellow Monder Ram – shows that here wages can be extremely low. It also examines the ways in which illegal employment is produced and reproduced among small firms. Even under such conditions, however, straight autocracy is rare, and there is instead a form of negotiated order based on family and often kinship ties. Shared misery and negotiation to make the best of a difficult situation characterise such workplaces. Even under extreme conditions small firms are not characterised by autocracy. Under more standard conditions, there is a degree of space within which a reasonable balance of reward and effort can be struck.

> " ...workers in small firms are reasonably satisfied because of the benefits of informality and the sectorally distinctive structure of the wage-effort bargain "

The second factor relating to the firms studied is the distinct balance of effort and reward. In the food firms, for example, low wages were balanced by a largely undemanding pace of work and the fact that workers could find space to develop personal relationships. This was underpinned by the limited degree of mechanization, so that the anonymity of

work in large and rationalized plants was absent. In media companies, by contrast, there was a demanding work pace, and pay was not high for professional staff; the benefits lay in the interest of the job and the distant prospect of media stardom.

Satisfaction but not harmony
Some images of the small firm suggest wholly common interests as reflected for example in the sharing of rewards and of risk. Even in the two professional sectors, these images were inaccurate. Any kind of profit sharing was extremely rare. Most firms paid basic salaries, sometimes with a bonus at the end of the year. Such bonuses were rare, and their size and distribution was wholly in the hands of managers. Other aspects of reward were also subject to management discretion. Generally, fringe benefits such as sick pay were absent, but valued employees might be allowed some paid time off. Such choices were made by managers as they saw fit. Employees were treated not as equals but as staff to be assessed. Performance in the two professional sectors was thus appraised in some detail, and even some of the food firms had developed detailed appraisal schemes.

Workers were plainly aware of these arrangements. They made a clear distinction between themselves and managers. They also recognised that promotion opportunities were often limited, and could see the reasons for this, namely, the small size of the firms and the lack of space at the top. Whilst they also valued the training that was available within their current jobs, they could still see the realities of ownership and control.

In sum, workers in small firms are reasonably satisfied because of the benefits of informality and the sectorally distinctive structure of the wage-effort bargain. But they are constrained by their own skills in terms of the jobs that they can seek, and satisfaction is in relation to what they can reasonably expect. It is not a reflection of deeper contentment, still less conscious choice of jobs. And they recognise also a divide between them and their managers. Pragmatic acceptance, rather than deep-seated loyalty, characterised their views of their jobs.

Exploring the Involvement of Stakeholders in Diversity Management

Anne-marie Greene
Gill Kirton
(Queen Mary College)
Deborah Dean

It is widely held that diversity management contributes to business success. Yet, although there are now a number of good practice guides, little is known about its actual practice in the UK. Lack of knowledge about diversity management processes and outcomes means that organisations are experiencing significant difficulty when implementing diversity policies. This leaves them unable to secure the gains from effective diversity practice that can contribute to business outcomes.

Anne-marie Greene, Gill Kirton and Deborah Dean's project, funded by the European Social Fund, has the twin objectives of (i) mapping diversity policy and practice and (ii) exploring the involvement of organisational stakeholders in policy formulation and implementation. This feature presents some key findings from the study, which drew on two main lines of enquiry. The first involved in-depth case studies in two organisations: 'PSO', a government department with a well-established equality and diversity policy; and 'ServiceCo', a private sector organisation which was at the beginning of developing its diversity policy. Both studies involved senior managers, line managers, trade union representatives and non-managerial employees. The second, reported in the box on page 5, was a programme of interviews with 57 diversity practitioners in 46 organisations across the UK.

Perspectives of stakeholders at PSO
Diversity is an integral part of the Civil Service reform agenda outlined in the 1999 Modernising Government White Paper. Subsequently government departments have been required to produce their own action plans. At the centre of its equality and diversity policy, PSO has programmes of action on disability, race and women's equality. Key elements of all three programmes include raising awareness, valuing all employees, training, career development, promotion and progression, internal and external recruitment.

According to PSO's policy, it is line-managers who are expected to implement it. Given this, it was striking that some of

those interviewed knew very little about PSO's policy or diversity issues more generally. Lack of understanding of, and buy–in to, the policy was reflected in very variable practice across the organisation.

Trade union representatives at PSO generally had good knowledge of the equality and diversity policy – an indication of their involvement in the process of dissemination. Many of them had also been involved in implementation and dissemination through joint consultation forums and employee networks. Trade union representatives were generally positive about the aims of PSO's policy. However, they were critical about the way the policy was implemented, and particularly the variability in practice between line managers.

Non-managerial employees were also generally positive about PSO's intention to tackle equality and diversity issues. However most had negative comments about the practice of the policy, indicating that it did not necessarily reflect the reality of working within the organisation. Many said that they did not know why some of the equality and diversity initiatives had been introduced. Indeed most employees had not actually seen the policy, most claimed that they had not received diversity training, and only a very small number had attended employee network events aimed at raising awareness.

Assessment
A number of areas of significant mismatch between policy and practice were identified. First, the open approach

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of the various diversity events and groups is a positive feature, although lack of participation is a concern. Non-managerial employees feel that their voices are less valued by the organisation than those of more senior grades, and that the policy does not serve the needs of lower grade employees. Greater effort is needed in gathering and responding to the opinions of lower grade employees.

Second, PSO's inclusion of a universal diversity objective in performance appraisal has the potential to help embed diversity in everyday practice. However, the way it is currently formulated and interpreted was found to often have the opposite effect. Third, there is a need to understand line-managers' perspectives – the pressures they are under and the views they hold, all of which can prevent line-management 'buy-in' and thereby frustrate the policy from achieving its aims. Fourth, the ongoing provision of diversity training is important.

Finally, the various stakeholder groups use different criteria by which to judge the equality and diversity policy. Non-management employees and trade union representatives are more concerned with the outcomes of the policy – whether the policy delivers tangible (promotion and training opportunities, bonuses etc) and intangible benefits (a sense of feeling valued). Meanwhile line-managers are more concerned with how different policy initiatives impact on their ability to manage in the way that they want to; whether policy initiatives are likely to increase their workload; and how performance is affected. Different perceptions are not unexpected; the challenge lies in meeting the expectations of all stakeholder groups. To do this involves effecting a culture change. Equality and diversity needs to be conceptualised as a process needing continuous attention in order to sustain momentum. Part of this process must involve mechanisms that allow employees at the lowest levels of the organisation to understand the policy, and become involved.

Stakeholder perspectives at ServiceCo
Diversity issues have only recently become part of ServiceCo's central policy

Diversity Practitioner Perspectives

Fifty-seven diversity practitioners were interviewed, including management champions in organisations from the private, public and voluntary sectors; trade union equality officers; and officers of campaigning organisations.

- Practitioners were highly positive about the shift from equal opportunities to diversity management. They believed that integrating the social justice case (more typically associated with equal opportunities) and the business case (the emphasis of diversity management) is both possible and advantageous. There was some awareness of diversity's potential dangers, including losing focus on discrimination and disadvantage as policy priorities.

- Nonetheless, the examples they provided of their organisations' policy initiatives were geared towards addressing discrimination and under-representation, particularly on grounds of gender and race/ethnicity. There are aspirations towards policies that focused on changing cultures and attitudes rather than only addressing discrimination, but very few organisations have introduced concrete culture change initiatives.

- It was widely believed that senior management in the organisations concerned was committed to equality and diversity, and it was considered important to involve non-management employees in policy-making. However, only a few organisations appeared to have the integrated, multi-channel forms of employee involvement that could potentially lead to significant input by non-management employees.

- Achieving line-management 'buy-in' was identified as the greatest challenge now facing organisations. The compliance approach associated with traditional equal opportunities was seen to be limited when it comes to accomplishing the organisational transformation that is necessary for equality and the valuing of diversity. The challenge is to get managers to actually believe in the positive messages about the benefits of a diverse workforce.

- Employee involvement mechanisms in the majority of organisations were still limited and often superficial. In unionised organisations it was felt that was a mutually advantageous 'voice' role for trade unions, suggesting potential for a partnership approach on equality and diversity.

agenda. An equality and diversity policy document was developed in 2003, and launched in mid 2004. The policy focused on gender and race discrimination and disadvantage, with an emphasis on legal compliance and avoidance of tribunal cases. At the time of the research, the policy was still being rolled out across the different areas of business.

Most of the line, and also senior, management personnel interviewed knew little about the ServiceCo equality and diversity policy and lacked awareness of diversity issues more generally. The nature of access at the different fieldwork sites meant that we gained only a limited impression of trade union perspectives. However, it was clear that ServiceCo does not regard unions as partners in terms of identifying relevant equality and diversity issues or developing and implementing policy. As a consequence of their lack of involvement, trade union representatives' understanding of the basic concepts of equality and diversity was limited. Observation of employee involvement events indicated that non-managerial perceptions of diversity practice at ServiceCo showed a generally positive attitude towards diversity initiatives. A common view, however, was that although ServiceCo was not putting obstacles in the way of diverse recruitment, it was not actively encouraging it. The practice of some individual managers was welcomed, but seen as isolated examples in a context where traditional performance-oriented objectives were prioritised by most line managers.

Assessment
At the moment, the policy agenda has not been established firmly enough to ensure the dissemination of a clear and consistent message. It is not so surprising, therefore, that the level of understanding of non-managerial employees and of line managers was limited. The variable level of understanding amongst senior managers needs to be addressed, since it is they who will be expected to lead in rolling out the policy agenda. Amongst the wider workforce, the level of acceptance of work patterns and cultures which are segmented by gender and ethnicity indicates the extent of the change that will be required to implement an equality and diversity culture within ServiceCo. At the moment, ServiceCo's equality and diversity policy is predominantly top-down; developing appropriate employee involvement mechanisms is a key challenge for the future.

Full reports from the research project are available to download at: www2.warwick.ac.uk/fac/soc/wbs/research/irru/research/esfdiversity

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Temporary Agency Work in Europe

Jim Arrowsmith

Temporary agency work is a significant and growing employment practice across Europe, though regulation differs between countries and has been controversial at European level. The European Foundation for the Improvement of Living and Working Condition therefore commissioned a report by Jim Arrowsmith to investigate the extent and regulation of temporary agency work in the enlarged European Union.

Increased competitive pressures have prompted a growing number of organisations to use temporary agency work (TAW) to improve customer responsiveness and in many cases cut costs. In the UK alone there are an estimated 6,500 TAW firms, supplying around 700,000 workers annually to client organisations. The emergence of TAW has long been a matter for debate. Trade unions have concerns that temporary work might be used to displace permanent jobs, and that it offers substandard as well as insecure employment, with lower pay and benefits, greater health and safety risks, and fewer representation or training opportunities. Agencies contest this, and indeed refer to the appeal of temporary work to groups like students or people needing to re-engage the labour market.

Balancing employment generation and flexibility against employment protection and security makes the regulation of TAW an important, if difficult, issue for policy makers. Practice varies across Europe in terms of the strength and forms of regulation. The European Foundation project was initiated in response to the limited information available. It was also driven by social partner concerns relating to Commission proposals for an EU Directive to govern the use of TAW; proposals which have been in abeyance since 2002.

The research was commissioned by the European Sectoral Social Dialogue Committee for TAW, which consists of representatives of the leading employer associations and trade unions. It was conducted in 2005-6 using a questionnaire survey of the 28 national centres of the European Industrial Relations Observatory (EIRO). Important data were also directly provided by the social partners. The findings were released at a briefing to the European Parliament in March 2006, and have been discussed at a number of high-level seminars since.

TAW in Europe

Overall, the sector is relatively small but significant in the EU's 'old' member states, with strong growth occurring in the mid-to late-1990s. Expressed in terms of full-time equivalents (FTE), it accounts for an average of 1.3% of total employment (around 3 million people), ranging from 0.3% in Denmark to at least 2.6% for the UK. There are about 20,000 TAW firms across these countries with an annual turnover likely to be worth at least €75 billion.

Placements are likely to be to lower-skilled jobs in manufacturing or services, with only Denmark, the Netherlands, Norway and the UK having significant public sector usage. Assignments are mainly of short duration, though half a dozen countries, including the UK, also have a significant proportion of longer placements. TA workers are typically young, and the gender balance is more or less equivalent.

Data is more limited for the 'new' member states, often because the sector has only recently been established. TAW accounts for around 0.5% of employment in three of the four countries for which there are data (Poland, Slovakia and Slovenia), rising to 1.4% for Hungary. Rapid recent growth of up to 30% per year is observed, with manufacturing rather than services accounting for most use.

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Statutory regulation
There were two broad waves of initiating legislation in 'old' EU, the first from the late 1960s to mid-1970s involving northern Europe, with the rest introducing legislation from the late 1980s to the turn of the century. There have been various revisions to these laws mainly to do with liberalisation but also to extend employment protection. This reflects a growing role for collective bargaining in many countries as well as the expansion of the sector.

The temporary work agency is generally the legal employer of agency workers, though this may be more ambiguous in the case of the UK. Only in Ireland do the courts generally take the user company to be the employer in law. Most countries have a licensing or registration scheme for TAW, although three countries abolished them in the 1990s (including the UK). Licensing requirements vary in stringency but often provide for a bond to cover tax and social security obligations in the event of business failure.

Otherwise, there are three sets of principal restrictions on TAW within national legislation: limits on sector or occupation (which might also be a product of a more general restriction on use for dangerous work); maximum assignment duration and/or limits on successive contracting; and permissible reasons for TAW, e.g. limiting it to peak and unexpected workloads, and in particular prohibiting placements in establishments where there is a strike. Other prohibitions include situations where redundancies have recently been declared.

There are also common requirements for TAW, which basically refer to employment protection measures for individual employees. The most significant is a condition that TA workers enjoy equal pay, benefits and conditions of employment as for comparable permanent staff of the user enterprise. Others include references to occupational safety and health; written employment contracts; principles of no-fee and voluntary assent for workers; and circumstances relating to subsequent permanent employment at the user

Table 1
Main areas of statutory regulation, EU 15 + Norway

Country	Equal treatment	Reasons for use	Limits on duration	Sector/occupation restrictions
Belgium, Portugal	✓	✓	✓	✓
France	✓	✓	✓	✕
Spain	✓	✓	✕	✓
Luxembourg	✓	✓	✓	✕
Greece	✓	✕	✓	✕
Germany *	✓	✕	✕	(✓)
Italy	✓	✓	✕	✕
Austria, Finland, Netherlands **	✓	✕	✕	✕
Norway	✕	✓	✕	✕
UK, Denmark, Sweden, Ireland ***	✕	✕	✕	✕

Notes
* Germany – de-facto restriction in construction
** Netherlands – agency work prohibited in shipping, under treaty obligation
*** Ireland – some provision for equal treatment under unfair dismissal and case law.

enterprise. The regulatory pattern varies between countries, as Table 1 above shows.

The agency is also the legal employer of TA workers in the new member states, and this too usually occurs on a fixed-term contract basis. Most of these countries have recently introduced a licensing scheme, though half still have little or no statutory framework of regulation in place. Legal restrictions and requirements refer to use in strikes, equal treatment and duration of assignment (see Table 2 overleaf).

Self-regulation
All of the 'old' member states have employers' associations for the TAW sector. Self-regulation by codes of conduct and professional accreditation for member companies is a potentially significant form of sector-level governance where

TAW is well established and employers in the sector are organised into trade associations. These codes refer to issues such as the internal management of TWAs; relations with user companies; relations between TWAs and agency workers (including e.g. confidentiality of information; provision of training; safety at work; principle of non-discrimination; observing the provisions of relevant collective agreements as well as social legislation and other laws); and providing for appeals procedures for TA workers.

Though trade union membership density among TA workers is low throughout the EU, another important form of self-regulation in many countries is by sector-level collective bargaining. This is observed in most of the 'old' EU; it assumes an important regulatory role both where the law is relatively strong

Table 2
Main areas of statutory regulation, New Member States

Country	Dates	Equal treatment	Reasons for use	Limits on duration	Prohibition on use in strikes
Poland	2003	✔	✔	✔	✔
Romania	2003-5	✔	✔	✔	✔
Slovenia	1998, 2002-3	✔	✕	✔	✔
Czech Republic	2004	✔	✕	✔	✔
Slovakia	2004	✔	✕	✕	✕
Hungary *	2001	✔	✕	✕	✔

Notes
*Hungary introduced an equal treatment provision in 2006

(e.g. Belgium and France) and where it serves to substitute for, or supplement, relatively weak statutory provisions (e.g. Denmark and the Netherlands). Five countries currently without sector-level bargaining include the UK, though company-level agreements may apply. In the UK for example, Manpower has an agreement with the TGWU and Adecco with the GMB. There is no sector-level bargaining amongst the new member states, and half of them do not have an employers' association for TAW.

EU legislation?
In terms of future EU legislation, the fact that the sector is more or less well-regulated in most member states offers some comfort to employers and trade unions alike, though for opposing reasons. Representatives of temporary work agencies might argue that an EU Directive is largely unnecessary, whereas trade unions can argue that it would not provide the regulatory shock that some have feared. In practice, the social partners at peak level share significant common ground, as indicated by the European social dialogue committee's 2001 joint declaration concerning the proposed Directive. So far, political opposition has come mainly from the UK, which has the highest incidence of TAW and one of the weakest regulatory systems. The increasing

scarcity of collective agreements in the UK private sector also removes a valuable tool of regulatory flexibility found elsewhere in the EU. It remains to be seen whether this will be sufficient to deny the principle of equal treatment and other protections to TA workers now offered to fixed-term contract workers by an earlier European Directive. A Commission Green Paper on 'Modernising Labour Law', published in November 2006 and citing the Foundation report, suggests that legislative proposals remain firmly on the table.

Read more:
The full report can be accessed at www.eurofound.eu.int/ pubdocs/2005/139/en/1/ef05139en.pdf

Research Update

New research projects

European Network of Observatories: March 2006 saw the start of two major new contracts with the European Foundation for the Improvement of Living and Working Conditions, each lasting four years, under which IRRU has taken on a significantly enhanced role within the Foundation's network of EU-wide 'observatories'. The network embraces:

- the European Industrial Relations Observatory (EIRO);
- the European Working Conditions Observatory (EWCO); and
- the European Restructuring Monitor (ERM).

IRRU successfully tendered to be the single UK national centre providing input to all three observatories. This involves the on-line publication of up-to-date information on key employment and industrial relations developments, restructuring cases, research and policy analysis, aimed primarily at practitioners and policymakers at national and EU levels. A joint tender with Industrial Relations Services (IRS) to become one of only four European research institutes responsible for coordinating a range of EU-wide comparative analytical reports for the three observatories was also successful.

IRRU has been the UK national centre for EIRO since its inception in 1996, and has been EWCO's UK correspondent since 2005.

The material published by the three observatories is freely accessible via the internet at:
www.eiro.eurofound.eu.int/
www.eurofound.eu.int/ewco/
www.emcc.eurofound.eu.int/erm/

Evaluating recent developments in training trade union organisers: this study is reviewing the activities and impact of the TUC Organising Academy, which trains trade union organisers, and of the academies established by three large trade unions (GMB, TGWU, USDAW). Funded by the Nuffield Trust, the research is being undertaken by Mel Simms together with Jane Holgate (London Metropolitan).

Market efficiency and employee participation practice: Guglielmo Meardi is part of a team led from the University of Vienna which is investigating employee participation practice in the central European operations of multinational companies based in western Europe. The study involves field interviews in their domestic operations and in their subsidiaries in Poland and the Czech and Slovak republics. The project, which is funded by the Austrian Ministry of Labour, aims to identify which practices, if any, are transferred to central Europe, and why.

Recently published

IRRU staff produce a large number of reports, articles, chapters for edited books and papers. Details of these, and recent working and conference papers, are available from our website. Here we highlight two of our recent publications:

- *European Integration and Industrial Relations* by Paul Marginson and Keith Sisson, with the collaboration of Jim Arrowsmith. The paperback edition of this book, published in 2006, includes a foreword by Harry Katz, Dean of the Industrial and Labor Relations School at Cornell University. Drawing on several IRRU research projects, the book comprehensively analyses the impact of continuing European integration on industrial relations institutions and outcomes. Its core argument is that the governance of industrial relations is increasingly multi-level. Cross-national influences are shown to mix with national ones, and involve the European sector and company, as well as Community, levels. In his foreword Katz writes 'Some books get known for the bold and extreme nature of their arguments, arguments that more often than not are unsupported and simplistic. This book gets it right by doing just the opposite. With a fine attention to detail, [it] describes the complex nature of the evolution of industrial relations in integrated Europe.' Published by Palgrave Macmillan (2006): ISBN 0-230-00191 (paperback).

- *Justice in the workplace: why it is important and why a new public policy initiative is needed* by Paul Edwards has recently been published by the Work Foundation's in its 'Provocations' series. The paper argues that the objective of increasing 'fairness' at work has not been advanced as much as it might, that this is because many initiatives invite minimal compliance rather than active engagement, and that a new package of measures is needed to allow these initiatives to realize their potential. The paper can be read at the Work Foundation's website:
www.theworkfoundation.com/products/publications/index.aspx

International links

Cornell-Warwick: IRRU is working with Cornell's School of Industrial and Labor Relations (ILR) to develop links in both research and teaching, activity which is being facilitated by a donation from a Cornell alumnus. In the summer of 2006 IRRU welcomed Professor Rose Batt of the ILR School for a 2-month international visiting fellowship under the ESRC/EPSRC AIM programme. During that time two other colleagues from Cornell travelled to Warwick for meetings with IRRU staff, and for the first Cornell-Warwick seminar at which Rose Batt presenting findings from her international study of work in call centres.

Visiting Fellows: amongst other international visitors to IRRU over the past 12 months, we have been particularly pleased to host Professor Min Li from the South China University of Technology in Guangzhou who is our first visiting fellow from China.

IRRU Staff

Forthcoming events

Warwick-Acas Lowry lecture 2007: Tuesday March 20th, 2007. Bill Callaghan, Chair of the Health and Safety Commission, will give the sixth lecture in the series in London. His theme will be 'Employment relations: the heart of health and safety'.

West Midlands Employment Relations Forum 2007: The Forum, which was launched in 2004, is organised by Acas Midlands and IRRU together with the West Midlands CBI, the West Midlands EEF and the Midlands TUC. It aims to help foster good employment practice across the West Midlands and to raise the profile of employment relations amongst the region's policy-makers. Drawing on findings from the authoritative 2004 Workplace Employment Relations Survey, IRRU is preparing a profile of workplace employment relations in the region.

The Forum held three successful events during 2006, which focused on: flexible working arrangements; the opportunities and challenges of employing migrant labour; and the recently implemented age discrimination legislation. In 2007, three further events on current employment issues are planned.

Membership of the Forum is open to companies, public service organisations, trade unions and employment relations professionals in the West Midlands.

Further information on Forum activities, and on membership, is available from Georgina Sutton, Acas Midlands, Warwick House, 6 Highfield Road, Birmingham, B15 3ED (Tel 0121 452 7925) or from IRRU's Research Coordinator.

From February 2007, IRRU will welcome Andrew Charlwood who has been appointed to an associate professorship in industrial relations in Warwick Business School. We will also welcome Professor John Purcell on a part-time basis to run alongside the position as Academic Adviser to Acas that he will be taking up from February. In September 2006 Ewart Keep and Caroline Lloyd moved with the ESRC SKOPE research centre to Cardiff University. Martyn Wright resigned from his lectureship and Molly Gray left at the end of her project-based contract.

Academic and Research Staff

Jim Arrowsmith
Andrew Charlwood
Trevor Colling
Ardha Danieli
Deborah Dean
Linda Dickens
Paul Edwards
Anne-marie Greene
Sukanya Sen Gupta
Mark Hall
Sonia Liff
Paul Marginson
Guglielmo Meardi
Jane Parker
John Purcell
Sylvia Rohlfer
Melanie Simms
Keith Sisson*
Mike Terry
Chin-Ju Tsai
* Emeritus Professor

Clerical and Support Staff

Duncan Adam
Val Jephcott (IRRU research coordinator)

IRRU Doctoral Students

Domenico Bevilacqua
Heather Connolly
Chris Edger
Michael Frize
Sophie Gamwell
Annette Hayden
Benjamin Hopkins
Aristea Koukiadaki
Thomas Prosser

IRRU Associate Fellows

Jacques Bélanger
Mark Carley
Tony Edwards
Anthony Ferner
Mark Gilman
Richard Hyman
Valeria Pulignano
Helen Rainbird
Monder Ram
Judy Wajcman
David Winchester

ABOUT IRRU

IRRU embraces the research activities of the industrial relations community in Warwick University's Business School (WBS). There are currently 20 academic staff. Our work combines long-term fundamental research and short-term commissioned projects. In both instances, we maintain the independence and integrity of the work, which have been the hallmark of IRRU since its establishment in 1970. We aim thereby to improve the quality of data and analysis available to industrial relations policy-making by government, employers and trade unions. Funded research projects include: employment practice in multinational companies in organisational context; the impact of inward investment on employment practice in central eastern Europe; stakeholder involvement in managing diversity; evolving practice in the employment of disabled people;

employee information and consultation practice in the UK; variable payments systems and collective bargaining; and the organisational roots of productivity in medium-sized enterprises.

IRRU publishes textbooks on industrial relations and human resource management. The most recent are Gill Kirton and Anne-marie Greene, eds. *The Dynamics of Managing Diversity: a Critical Approach* 2nd Edn (London, Butterworth Heinemann), published in 2004, and Paul Edwards, ed., *Industrial Relations: Theory and Practice* 2nd Edn (Oxford, Blackwell), published in 2003. *Industrial Relations* provides a comprehensive treatment of the subject which blends description and analysis.

IRRU is the UK national centre for the European Foundation for the Improvement of Living and Working

Conditions' Observatory Network. The Network encompasses the European Industrial Relations Observatory (EIRO), the European Working Conditions Observatory (EWCO) and the European Restructuring Monitor (ERM). The three Observatories collect, analyse and disseminate high-quality and up-to-date information on developments in industrial relations and working conditions across Europe. IRRU provides a range of inputs including regular *updates* which analyse current developments in policy and practice and contributions to *comparative studies* which provide a cross-country perspective of a particular topic. IRRU is also one of four European centres which undertakes *comparative analysis* on selected topics for the Observatories.