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Örgütsel Demokrasi: Örgüte neler kazandırabilir?*

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Özet

Bu çalışma, örgütsel demokrasi ve onun örgüt üzerinde olumlu etkisini tartışan bir makaledir. Örgütsel demokrasi, örgütün üyelerinin örgütün yönetim ve süreçlerine katılımını ifade eder. Örgütsel demokrasinin örgütsel ve bireysel performans artışı üzerine yaşamsal önemi literatürde yeterince vurgulanmamıştır. Örgütsel demokrasi, örgütün sosyo-moral atmosferini, çalışanların davranış yapısını ve örgütsel bağlılığını olumlu bir şekilde etkiler. İşyerindeki bu olumlu davranışların artırılması, örgütsel bağlılığın ve sadakatin yanı sıra iş barışının geliştirilmesine katkıda bulunur. Demokrasi paradigmasını örgütsel düzeyde gerçekleştirmek, örgütsel etkililiğin önemli bir anahtarı olarak görülüyor. İş yerinde demokrasi, örgütsel kararların paylaşılma sorumluluğu, daha fazla çalışan özerkliği ve stratejik yönlendirme gibi konuyu ele alır. Kurumsal iradenin birlikte kullanılması anlamına gelen örgütsel demokrasi çalışanların güçlendirilmesini ve yönetime katılmasını ifade eder. Örgütteki demokratik uygulamalar, çalışanların seslerini duyurmalarını, bilgi ve becerilerini geliştirmelerini sağlar. Ayrıca, çalışanların işlevsiz davranışlarını azaltmakta, örgütsel bağlılıklarını arttırmakta, organizasyonun verimliliğini ve performansını geliştirmektedir.

Anahtar Kelimeler

Örgüt
Çalışan
Örgütsel demokrasi
Örgütsel demokrasinin yararları

Organizational Democracy: What can it add to the Organization?*

Abstract

This study is a review article about the organizational democracy and its positive impact on organization. Organizational democracy refers to the participation of the organization's members to the management and processes of the organization. The vital importance of organizational democracy on organizational and individual performance increase is not emphasized enough in literature. Organizational democracy affects the organization's socio-moral atmosphere, the behavior structure and the organizational commitment of the employees positively. Increasing these positive behaviors in workplace contribute to the development of organizational commitment and loyalty and also business peace. Carrying out the democracy paradigm at the organizational level is seen as a key for more organizational effectiveness. Democracy in the workplace handles the subject like sharing the responsibility in the

Keywords

Organization
Employees
Organizational democracy
The benefits of organizational democracy.

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organizational decisions, more employees' autonomy and strategic orientation. Organizational democracy which means using the institutional willpower together refers to a managerial approach requiring participant management and reinforced employees. Democratic practices in the organizations provide the employees to be heard their voices and developing of knowledge and skills. Also they reduce the dysfunctional behaviors of the employees, increase their organizational commitment and improve the efficiency and performance of the organization.

INTRODUCTION

Organizational democracy refers to the participation of the members of an organization in management and processes of the organization (Harrison and Freeman, 2004). "Industrial democracy" term was firstly used by Sidney and Beatrice Webb in 1897 (Müller-Jentsch, 2008). It has attracted the attention of theoreticians since then. Organizational democracy has long been of interests to theorists. However, there isn't a common consensus on its benefits and necessity like political democracy (Wisman, 1998). Most of the recent discussions about organizational democracy are carried out through both activities related and moral values of the organizational climate and is also discussed on the secondary effects of the participation in decision making (Foley and Polanyi, 2006).

Firstly, in evaluation based on effectiveness it is expressed that organizational democracy will lead to an increase in efficiency of the organizational democracy. Efficiency increase is possible by both increasing the sense of job satisfaction of the employees with participation and providing more communication and information sharing (Cotton at al 1998). Democracy in the workplace deals with the sharing of the responsibilities in organizational decisions, more employees' autonomy, and strategic orientation (Drucker, 1999). Democratic practices in organizations provide employees with hearing their voices and developing their knowledge and skills. They also reduce employees' dysfunctional behaviours, increases organizational commitment and improve efficiency and performance of the organization (Yazdani, 2010).

Secondly, it is expressed that the ethic and philosophical benefits of the organizational democracy are important as well as its economic benefits (Collins, 1997). Collins (1997) expresses that organizational systems should not considered separate from the political and economic systems; on the contrary there should be a harmony between these systems. He suggests that economic benefits of participation are in too central place and its non-economic benefits should be considered as well as its economic benefits. Pateman (1970) suggests a number of secondary benefits (Levine 2007). When employees participate in decision making, they are more likely to accept a decision, even those with which they disagree which is one reason for a potential increase in the level of cooperation. Furthermore participation also has an integrative effect increasing the sense that individuals belong in the community. Organizational democracy encourages human development, increases the sense of political effectiveness and reduces the alienation to the organization and society.

1. Organizational Democracy Literature

Democracy is a concept derived from the Greek and it consists of combination of the word "demos" meaning the people and the word "kratos" meaning power and government. And simply it means "government by the people" (Heywood, 2007). Until the 19th century,

with regard to the concept of “democracy” negating associations were made with the claim being “management of the rabble” and it achieved its prestigious position in the 20th century. Today everyone is democrat; liberals, conservatives, socialists, communist, anarchists and even fascists seem to be willing to talk about virtues of democracy and show their own democratic effects (Heywood, 2007).

After 1990s all over the world the interest in democracy at the organizational level has increased in parallel with increase in the political democracy. This interest is particularly seen as applications like participation in decision-making processes and reinforcement the management with the rules formed by employees’ participation (Harrison and Freeman, 2004). “Employee participation”, “participative management”, “participation to decision taking”, “employee control”, “self-governance” and “workplace democracy” are also inextricably intertwined concepts that could frequently replace the concept of “organizational democracy” in relevant theoretical studies (Unterrainer et al., 2011; Verdorfer et al., 2012). Hewlett Packart, Lincoln Electric (Harrison and Freeman, 2004), Whoole Foods Market, W.L.Gore, Google and Semco (Hamel and Breen, 2007), NDA (Nishith Desai Associates- An India-based law firm) (Desai, 2009), MMC (Mondragon Corpaoracion Cooperative- a cooperative top organization in Spain) (Forcadell, 2005) are success stories about implementation of the organizational democracy (Geçkil and Tikici, 2015).

Employees, unions, governments, supranational institutions and organizations management emerge as sides in establishing and implementation of the organizational democracy. Implementation of democracy at the organizational level requires radical changes in the structure and processes of the conventional organizations. An atmosphere that there is not fear of being punished and being threaten for the mistakes that could be made in workplace should be created. Employees are able to take responsibility in their work for the success of the organization and they are able to participate honestly. Firstly employees should be trained about the participation methods for developing organizational democracy. On the other hand, managers should be trained about allowing the employees participation (Geçkil, 2013). Maybe formation of a democratic organization cannot be possible with these. For organizational democracy in addition to the transformation in the organization, a balanced distribution and transparency in share ownership situated in ISO26000 Standards are necessary (Hallström, 2010). This transformation will provide that employees are seen as a shareholder in decision-making processes of the organization. Another important element in creation democracy in organizations is to create trust in the organization. According to Handy (1998) it is very important to determine to whom you trust or not and the extent of the trust. Under the democratic models, freedom is given to the individuals with the frame of shared values and the goals reflect the common benefits. Trust provides performance for employees as well as behaviours and attitudes that reflect the values of the organization. Creating organizational bond, providing participation and thus gaining trust between employees and leaders are provided with communication and information and also the creation of these elements contributes to the development of democracy in organizations. Moreover the implementation of organizational democracy must entail consideration of the empowerment of members through their participation, their education and their development of Bernstein’s (1982) democratic consciousness. This raises a key paradox: how the Business Case presents and pursues organizational democracy as an

efficiency enhancing remedial device may mean that the form of democracy sanctioned undermines the desired ends (Johnson, 2006).

Below there are descriptions of some theorists who have studies about organizational democracy:

Harrison and Freeman (2004) define organizational democracy as “a democratic management system settled in to the supportive organizational structure”. Supportive organizational structure in here refers to all members of the organization’s sharing of the determined purposes and adopting democratic decision-making rules.

According to Kerr (2004) organizational democracy is defined as responsibility to the managed person, equal rights in participation, free movement of information and representation of managed person.

Hoffman (2002) expresses that power should be centrifugal in organizational democracy implementation and also expresses providing control rights for employees on the organizational process and actions.

According to Crane and Matten (2005) organizational democracy is participation of the employees in decision-making, being included of the employees into the management processes and making decision together when determining the organizational strategy.

Butcher and Clarke (2002) express that managers can turn over the power and responsibility in decision-making through organizational democracy more, less leadership will do and also will occur self-organizing units.

Organizational democracy, which means using institutional will together, refers to a participant management and a managerial approach requiring reinforced employees (Sadykova and Tutar, 2014).

Organizational democracy can be expressed in a wide range from non-authoritarian leadership style to the mild-scale employees’ participation in decision mechanism in the working conditions and in a wider sense to the attempt that employees manage themselves (Smith, 1976).

According to Coşan and Gülova (2014) it is possible to define organizational democracy as a concept that points participating of the employees in organizations’ structure, function, policies and procedures while producing economic values, individual freedom and a values system based on respect and equality.

We can see that common feature of the descriptions is participation in management and decision. According to us this is true but missing. If we accept that organizational democracy is limited with participation, we limited it. In a study on “Developing the Organizational Democracy Scale” it has been found that there are five dimensions related to the organizational democracy (Geçkil and Tikici, 2015). In their studies Geçkil and Tikici (2015) have found that organizational democracy consists of “participation-criticism”, “transparency”, “justice”, “equality” and “accountability” dimensions. Participation-criticism and justice are the subjects studied in abundance outside the organizational democracy. Even in some studies we see that the express of participation in management is used instead of organizational democracy concept. Transparency and accountability are the subjects studied in the context of institutionalization. However holistic organizational democracy understanding will be right approach. In this approach, five dimensions of the organizational democracy are together. Holistic approach will allow a better understanding

of organizational democracy and also it can provide getting better results from the organizational democracy implementations.

2. What can Organizational Democracy Add to the Organization?

In some empirical and theoretical studies about organizational democracy, propositions put forward by theorists, researchers and academics will be given.

2.1 Organizational democracy' Effect on Productivity and Efficiency

If democratic principles can find an implementation area in the businesses management, the staff's commitment to the work and the organization is strengthened and as a result of this it their productivity increases. For example Irizar [It is a travel bus cooperative belonging to employees in Spain and a member of MMC (Mondragon Corporacion Cooperativa) which can be seen world leader in cooperative] made a stunning development by applying democratic management principals in 90s: in a 10-year period it increases its sales from 18 million Euros to approximately 250 million Euros, its annual average production increase to 18.4%, its per capita adding value from 16.800 Euros to 73.900 Euros and its daily bus production from 1.2 buses to 6 buses. Democratic management application and new company culture have provided participation of the employees in the self-management process in a willing way more than 90% (Forcadell, 2005).

Democratic management today seen as a key for increasing organizational effectiveness has also been perceived as a necessity to achieve innovation and performance at a higher level. Democracy supporting creation of value in long term harmonizes economic, social, environmental and individual goals (Forcadell, 2005).

2.2 Organizational democracy' Effect on Organizational Citizenship Behaviours

Geçkil and Tikici (2016a) have found a positive relationship between organizational democracy and organizational citizenship behaviors in their study conducted on a sample group with 582 people consisting of hospital employees. Participation-Criticism subscale, which is one dimension in organizational democracy scale, correlated in a high level with OCB's Civic Virtue behaviors and ($r=.862$; $p=.000$) Courtesy behaviors ($r=.704$; $p=.000$). Participation-Criticism subscale also correlated with Conscientiousness subscale in mid-level ($r=.486$; $p=.000$) (Geçkil and Tikici, 2016a). Similarly Weber et al. (2009) have found that participation in decision affects positively employees' prosaically behaviors. It has been put forth that perceived justice and injustice have effects on both positive and negative optional behaviors of the employees. Behaviors connected positive willing is known as organizational belonging behaviors (Gilliland vd. 2009). Similarly, Songür et.al. , (2008) has demonstrated that there is a relationship between perceived justice and organizational dimensions of organizational citizenship behaviors.

2.3 Organizational democracy' Effect on Employees' Socio-moral Climate and Prosaically Behavioral Orientations

It is known that generally organizational democracy positively affects the social-moral atmosphere of the organization, behavior structure of the employees and organizational commitment (Weber at al 2008; Weber at al 2009). Bowles and Gintis (1993) point to three economic efficiency gains promised by the democratic firm in comparison to its undemocratic counterpart. First, integration by property and political process creates a 'participation effect' that has important motivational implications as it 'reduces the

alienation of workers' caused through their exclusion from decision making and ownership of the products of their labour. Second, relative to hierarchical information and control systems, workers are more efficient and effective at monitoring each other's task behavior and would have an interest in the effort levels of fellow workers. Third, opportunity cost savings made by removing hierarchical work monitoring systems may be redistributed to increased wages and thereby create a 'wage incentive effect'. They also express concern that the resultant lack of participation in decisions may militate against both 'democratic accountability and economic efficiency'. Much empirical evidence suggests that bureaucracies, with authoritarian hierarchies, exacerbate alienation while more participative leadership, in less formalized and centralized structures, reduces alienation improves the quality of decision-making and increases job satisfaction (Johnson, 2006). Participation has a positive and linear main effect on the strength of ties among co-workers (Levine, 2007). Organizational democratic structures has a positive main effect on organizational identity, organizational commitment.

2.4 Organizational democracy' Effect on Social Capital and Organizational Psychological Capital

Empirical studies of the relationship between democracy and social capital have thus far only been done within the context of political democracy and assessed its relationship to the amount of social capital within a community or nation. Researchers have generally found a positive association between political democracy and social capital (Putnam, 1995), the democratic structures of employee ownership and participation in decision making have an effect on the various dimensions of organizational social capital (Levine, 2007). Also Geçkil et.al., (2016b) have reported that they have found a positive relationships between organizational democracy and organizational psychological capital.

2.5 Organizational democracy' Effect on Job Satisfaction

A review of empirical studies demonstrates that effects of participation on satisfaction and performance vary according to form (Cotton at al. 1988). Also in many studies it is mentioned that positive organizational climate created by organizational democracy and interpersonal relationships will positively affect job satisfaction.

SUMMARY

Placing democratic values into the organizations is not a process easily realized. Two reason of this difficulty can be mentioned. Fist one is the problem of "value orientation" at adult individuals. Second one is "power loss" perception which encountered in particularly managers. However, some businesses starred with their organizational democracy implementations and research findings confront us organizational democracy is a very attractive management technique.

It has been believed that theoretical discussion and empirical research about organizational democracy (efficiency, sustainable competitive advantage, innovation, creativity, organizational culture and climate, values, alienation, job satisfaction, organizational justice perception, organizational commitment, organizational stress, organizational citizenship behaviors, diversity management in organizations, etc.) are needed when considered the potential claimed bearing both from the aspect of businesses and employees of the organizational democracy.

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