

# **Workers Changing Work: The Influence of Worker Power**

**A longitudinal case study analysis of  
workplace change at  
Moving Metals Limited**

by

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# Table of Contents

List of Figures .....	viii
Abstract .....	ix
Executive Summary .....	xi
Statement of originality .....	xv
Acknowledgments.....	xvi
Abbreviations.....	xviii
Prologue .....	1
<b>Chapter 1 Introduction</b> .....	<b>3</b>
Purpose of the study .....	3
Workers of influence .....	4
External and internal context .....	5
The case study company, MML .....	5
The Workplace Change Program .....	8
Lean production.....	9
Using lean production.....	11
Potential effects of lean production.....	13
Conceptual framework .....	16
Conducting the research .....	17
Research questions .....	20

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Research process .....	21
Research content .....	22
Applicability of the findings of the research.....	23
Notes on the thesis.....	23
<i>Voicing</i> .....	23
<i>Terminology</i> .....	24
<i>Referencing the data</i> .....	24
<i>Confidentiality</i> .....	26
<i>Assumptions, scope and limitations</i> .....	26
Structure of the thesis .....	28
Conclusion .....	29
<b>Chapter 2 Research Strategy and Methods</b> .....	<b>31</b>
Introduction.....	31
Case Study Research .....	32
<i>Introduction</i> .....	32
<i>Research practice and data collection methods</i> .....	32
<i>The two stages of fieldwork</i> .....	34
Timeline of Events at MML .....	36
<i>Stage 1 - The TQM Project</i> .....	38
<i>Stage 2 The Change Project fieldwork</i> .....	40
Processual research as a framework for data collection.....	47
Action research .....	49
Action Research useful to both consultants and researchers .....	51
Dual-role research: the consultant/researcher roles appraised.....	52
<i>Dual-role research</i> .....	52
‘Engaged’ or ‘detached’ researcher?.....	54
Ethical considerations.....	57
Female researcher in a male dominated workplace .....	59
Conclusion .....	60
<b>Chapter 3 Case Study Moving Metals Limited (MML)</b> .....	<b>61</b>
Company background and business context.....	61
MML: 1985 – 1990 .....	65
<i>Occupational health and safety</i> .....	67



MML: 1991 .....	70
<i>Establishing a quality structure and the use of SPC</i> .....	72
<i>The development of external customer-supplier relations</i> .....	76
<i>Kaizen, quality groups and continuous improvement groups</i> .....	78
<i>World competitive manufacturing</i> .....	80
<i>Training</i> .....	80
<i>Management style</i> .....	82
<i>The Workplace Change Program</i> .....	83
MML: 1992 – 1994 .....	85
MML’s Relationship with corporate management .....	85
The Change Project in overview .....	87
<i>Benchmarking</i> .....	89
<i>Improving consultative processes</i> .....	92
<i>Safety Committee</i> .....	94
<i>Enterprise bargaining</i> .....	95
<i>In-house newsletter</i> .....	97
<i>Employee training and job redesign</i> .....	97
MML: March 1994 .....	103
<b>Chapter 4 Leadership, Change Agency, and</b>	
<b>Workers of Influence</b> .....	106
Introduction .....	106
The nature of leadership .....	107
The notion of leadership .....	107
Workers of influence .....	112
Representative and long-term worker of influence .....	116
Informal and transient worker of influence .....	118
Informal and short-term worker of influence .....	119
Workers of influence as leaders .....	120
Change agency .....	121
The concept of the change agent .....	122
The change agents at MML .....	126
Workers of influence .....	127
<i>Employee representative and backstage politician</i> .....	128
<i>A way with words</i> .....	131
Workers of influence as change agents .....	133



Conclusion.....	134
<b>Chapter 5 Worker Involvement, Worker Participation and the Role of the Workers of Influence.....</b>	<b>136</b>
Introduction.....	136
Involvement versus participation.....	138
Worker involvement.....	140
Worker participation.....	150
The Works Committee.....	152
Enterprise bargaining.....	153
The Consultative Committee.....	155
Enterprise bargaining round two.....	160
The impact of worker participation and involvement.....	166
Conclusion.....	169
<b>Chapter 6 Power, Influence, Autonomy and Control and how they were applied at MML.....</b>	<b>171</b>
Introduction.....	171
Power and influence.....	172
Empowerment.....	176
The value of empowerment.....	181
Autonomy and control.....	183
Autonomy.....	184
Control.....	186
Autonomy and control in action.....	189
The influence of position in the hierarchy.....	192
Management control.....	193
Boundaries of management control.....	195
Power and trust.....	201
Conclusion.....	202
<b>Chapter 7 How Workers Changed Work.....</b>	<b>204</b>
Introduction.....	204
The influence of worker power.....	205
How workers changed work.....	210
Demonstrating trust in and respect for management.....	211



Accepting increased power .....	212
Using information wisely.....	216
<i>Preserving confidentiality</i> .....	217
<i>Developing performance indicators for dissemination to shop floor</i> ....	218
Introducing new ideas at policy level.....	220
<i>The overtime policy</i> .....	220
<i>Training policies</i> .....	220
<i>Literacy training</i> .....	221
<i>Visual display of training achievements</i> .....	222
<i>Other policies</i> .....	222
Maintaining solidarity amongst workers .....	223
<i>Closed shop</i> .....	223
<i>Separation of powers</i> .....	224
<i>Solidarity with non-unionised workforce</i> .....	225
<i>Solidarity with supervisors</i> .....	226
Being persistent .....	227
<i>The issue of casual labour</i> .....	227
<i>Car parking arrangements</i> .....	229
‘Talking up’ the company.....	231
<i>Marketing the committee to workers</i> .....	231
<i>External marketing</i> .....	232
Acting back stage .....	234
Being the corporate conscience.....	236
Conclusion .....	237
<b>Chapter 8 Conclusions and Implications</b> .....	<b>239</b>
The research questions .....	241
Who were the workers of influence?.....	241
Could workers of influence be described as leaders or change agents? .....	242
What were the roles of workers of influence in shaping the processes of organisational change and the structures of power, autonomy and control in the workplace?.....	243
How were their boundaries of operation defined, maintained or changed? .....	243
What strategies did workers of influence use to influence organisational change? .....	244



Contribution to knowledge .....	245
Research method .....	245
Recognition of workers of influence .....	245
Reassessment of the leadership and change agency literature to include their applicability to workers of influence .....	246
Identifying the strategies that workers of influence take to generate change.....	246
Importance of this research.....	247
Implications for future research .....	249
Postscript.....	250
<b>Appendices</b> .....	252
Appendix 1 – Interviews conducted at MML during 1991, Stage 1 of the research .....	252
Appendix 2 – MML’s Guidelines for the Consultative Committee.....	254
Preamble .....	254
Objectives .....	254
Functions of the Consultative Committee .....	254
Structure of the Consultative Committee .....	256
Appendix 3 – MML’s lean production ‘acid test’ .....	259
<b>Bibliography</b> .....	260

## List of Figures

Figure 1. Timeline of events at MML .....	36
Figure 2. Relationship of MML to the rest of the company .....	63
Figure 3. Workers of influence as workers.....	115
Figure 4. Taxonomy of workers of influence .....	117
Figure 5. Workers of influence participate in management decision making.....	163
Figure 6. Workers of influence were invested with power .....	176
Figure 7. Push versus pull system of improvement .....	181
Figure 8. The process of management control.....	195
Figure 9. The influence of worker power .....	207



## Abstract

This thesis is about the role that shop floor workers play in organisational change. In particular, it investigates the manner in which a distinct group of worker-level leaders and change agents affected the generation and implementation of change and helped to shape the change process in an organisation undergoing planned change. The data for the thesis were obtained from a three-year, longitudinal case-study of organisational change in a medium-sized automotive components manufacturer, Moving Metals Limited (MML). Data were collected at MML during a move from traditional mass production to lean production and the research was conducted using processual action research, while the researcher adopted the dual roles of researcher and consultant to the company.

The research identified a distinct group of workers, with no supervisory capacity, who were able to shape the change process in the organisation. These workers are referred to as *workers of influence*. This group of workers emerged as central characters in the process of organisational change and as leaders and change agents in the organisation. Drawn from the empirical data, criteria for identifying workers of influence are developed in this thesis, based on the authority vested in them by the workforce and their access to management decision-making. A taxonomy of workers of influence is developed in this thesis using these criteria, as well as the duration of tenure of influence.

In much of the literature, shop floor workers are portrayed as either passive participants in, or active resisters of organisational change. This research provides



evidence of some workers acting as leaders and change agents in an active and influential manner. The research examines issues of power, influence, autonomy and control and their impact on workers' capacity to participate in change. In so doing, this research identifies and opens up an important area of study with implications for organisational theory, literature and the implementation of planned interventions in organisations.

## Executive Summary

This thesis investigates the manner in which a distinct group of worker-level leaders and change agents affected the generation and implementation of change and helped to shape the change process in an organisation undergoing planned change. The data for the thesis were obtained from a three-year, longitudinal case-study of organisational change in one organisation, Moving Metals Limited (MML). The research was conducted using processual action research while the researcher adopted the dual roles of researcher and consultant to the company. This research method was found to be an appropriate research strategy for carrying out intensive, longitudinal case-study research in organisations.

MML is a first-tier automotive components manufacturer located in the suburbs of an Australian capital city. At the time of the research, the company employed about 200 people. During the period of the research, the company introduced best practice approaches to manufacturing through the adoption of lean manufacturing. The research examined the processes of change from multiple perspectives, including that of the workers, supervisors and management and identified a distinct group of workers, with no supervisory capacity, who were able to shape the change process in the organisation. These people are referred to as *workers of influence*. This group of people emerged as central characters in the process of organisational change and as leaders and change agents in the organisation and were therefore the focus of the study. This study builds on the early work of Etzioni (1961) who identified informal leaders as people who, although they had no power associated with their position in



the formal hierarchy, were able to use their personal power to influence their followers (Etzioni 1961: 90-91). Using the empirical data from the present research, criteria for identifying workers of influence are developed in this thesis, based on the authority vested in them by the workforce and their access to management decision-making. An empirical taxonomy of workers of influence is built into this thesis using these criteria, as well as the duration of tenure of influence. Thus workers of influence can be identified as *representative*, *advocate*, or *informal* workers of influence and their tenure may have been transient, short-term or long-term.

The thesis discusses the impact that workers had on change. For the purposes of this thesis, worker involvement and worker participation are differentiated: *worker involvement* concerns production process re-design, while *worker participation* refers to worker influence in management decision-making. Although worker involvement in production process re-design was available to all workers at MML, worker participation in management decision-making was restricted to the workers of influence, who acted as shop floor-level leaders and change agents. The differences between workers of influence as leaders and change agents and management as leaders and change agents was found in their respective levels of power, influence, autonomy and job control. These defined the boundaries of their operation and participation in management decision-making. While worker involvement in shop floor level change provided opportunities for workers to practice new skills and extend their influence, workers of influence were able to shift their boundaries of influence on management decision-making. They did this through their participation in management-employee committees, in particular the Consultative Committee, through access to information, or via the informal communication networks in the company.

Data were collected at MML during a move from traditional mass production to lean production. This was in response to a general move to new wave manufacturing technologies as described in Womack et al (Womack, Jones and Roos 1990). The elements of lean manufacturing were lauded in the industry: JIT manufacturing, kanban systems, minimal inventory, quick die-change, operator-controlled quality



systems aimed at zero defects, rework and scrap, operator control over production processes and team-based work organisation were the holy grail of management in the automotive industry at the time. At MML, the management spoke of ‘working smarter not harder’ and of sharing power, information and profits with the workers. However, the rhetoric and practice of lean manufacturing were different matters at MML. The MML management were unable to achieve their own objectives; they were willing to share information, they were able to devolve some power, they were often able to recognise the positive contribution made by employees, but were unable or unwilling to share profit via increased wages. The management chose instead to pay minimum award wages and supplement these with a variety of rewards and bonus payments that were dispensed as tools for behavioural control.

The company maintained an hierarchical reporting and command structure throughout the research period with power and decision-making being concentrated in the management. Nonetheless, there were some significant shifts in the boundaries of worker power. Workers of influence at MML played an active role in acting in an empowered manner and accepting increased levels of autonomy and control. They used a range of actions to help shift the boundaries and therefore change the shape of the organisation. These actions were: demonstrating trust in and respect for management, accepting increased power, using information wisely, introducing new ideas at policy level, maintaining solidarity amongst workers, being persistent, ‘talking up’ the company, acting back stage to caucus opinion away from formal meetings and acting as a corporate conscience.

Despite the deficiencies in the implementation of lean manufacturing at MML, the experience was that the power of the workers of influence was extended through lean manufacturing and there were increases in autonomy and job control. This research demonstrates that worker power, autonomy and control can develop and persist in an atmosphere of trust, openness and generosity; but finds that the relationship between management and the workforce is not static. Thus, it is important to consider the context and shifting relationships between management and workers. Towards the end of the research period at MML, there were changes in the parent company and in



the external environment that influenced the relationships between management and workers. As part of wage negotiations at that time, worker involvement in process changes was made mandatory rather than voluntary; this was accompanied by a subtle shift to a coercive and controlling management style where trust, openness and generosity deteriorated. Subsequently, workers under the leadership of the workers of influence, used their power and autonomy to withdraw from process improvement projects and the benefits to the company of lean manufacturing declined – to the chagrin of the management. Despite the changes in the relationship between management and the workers, workers of influence continued to hold the power invested in them by their peers. They continued to attempt to participate in management decision-making although their contribution was less well accepted by the new style management at the end of the research period.

In much of the literature, shop floor workers are portrayed as passive participants in or active resisters of organisational change. In providing evidence of the ways in which some workers engage in change in an active and influential manner, this research identifies and opens up an important area of study with implications for theory, literature and the implementation of planned interventions in organisations.

# Statement of originality

## **Workers Changing Work: The Influence of Worker Power**

A longitudinal case study analysis of workplace change at  
Moving Metals Limited

Verna Lesley Blewett

This work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

I give consent to this copy of the thesis, when deposited in the University Library, being available for loan and photocopying.

Verna Lesley Blewett

25 August 2000

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# Abbreviations

The following abbreviations are used throughout this thesis.

<b>ACPL</b>	Automotive Components Pty Ltd
<b>ACL</b>	Australian Company Limited
<b>AMCS</b>	Australian Manufacturing Council Secretariat
<b>AWIRS 95</b>	1995 Australian Workplace Industrial Relations Survey
<b>CAL</b>	Car Accessories Limited
<b>CEO</b>	Chief Executive Officer
<b>CIP</b>	Continuous Improvement Program
<b>DIR</b>	Department of Industrial Relations
<b>EA</b>	Enterprise Agreement
<b>EB</b>	Enterprise bargaining
<b>EPC</b>	Engineering Production Certificate
<b>FAPM</b>	Federation of Automotive Products Manufacturers
<b>FIMEE</b>	Federation of Ironworkers, Manufacturing and Engineering Employees
<b>HIM</b>	High involvement management
<b>HR</b>	Human resources
<b>HSR</b>	Health and safety representative
<b>JIT</b>	Just-in-time
<b>LPI</b>	Labour productivity index
<b>LTI</b>	Lost time injury (defined as an injury which results in the worker being absent for at least a complete shift)
<b>MEWU</b>	Metal and Engineering Workers Union
<b>MML</b>	Moving Metals Limited

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<b>MRP II</b>	Material Requirement Planning II (computer-based system for tracking materials in the factory)
<b>NVA</b>	Non-value added
<b>NWM</b>	New wave manufacturing
<b>OD</b>	Organisational development
<b>OHS</b>	Occupational health and safety
<b>QA</b>	Quality assurance
<b>QCs</b>	Quality circles
<b>QDC</b>	Quick die change
<b>QWL</b>	Quality of working life
<b>RDO</b>	Rostered day off
<b>SBU</b>	Single bargaining unit (for the purposes of enterprise bargaining)
<b>SPC</b>	Statistical process control
<b>SOP</b>	Standard operating procedure
<b>STS</b>	Socio-technical systems
<b>TAFE</b>	Technical and Further Education
<b>TQM</b>	Total quality management
<b>US or USA</b>	United States of America
<b>VA</b>	Value added
<b>WCM</b>	World competitive manufacturing
<b>WIP</b>	Work-in-process (inventory)