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Employee Participation in the Strategic Process: A Benefit or a Burden?

A firm-level study into the relationship between employee participation and the different phases in the strategic process of organizations

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Abstract

Employee participation seeks to increase subordinates' input into strategic decisions. Therefore, it contradicts conventional theories that assume that strategy is only based on the knowledge of the top management. This research focuses on the extent to which and how employee participation is related to the phases of the strategic process. Literature on the relation between these concepts has been found to be scarce. Therefore, the results of this research are essential in contributing more theoretical and practical knowledge about the organizational-level impact of employee participation. In order to answer the research question, a mixed-method study was carried out. The Cranet database of 2015 provided usable data to conduct a quantitative analysis. Moreover, five interviews were conducted for qualitative results.

Firstly, based on theory, this thesis motivates that the strategic process is often separated in three phases: strategy formulation, strategy implementation and a third outcome-phase, namely performance. In addition, it has been found that four forms of employee participation can be distinguished: communication in briefings, direct participation, indirect participation and financial participation.

The conducted research has led to several conclusions. First of all, this research confirms that having a developed strategy is positively related to organizational performance. In addition, financial- and direct employee participation practices turn out to be positively related to organizational performance. A very important explanation for the abovementioned relation can be found in the ownership-effect. Moreover, employee participation practices do not (always) lead to employees taking the strategic decisions. They do however lead to employees being more able to deliver the necessary information that is needed to make the strategies successful(ly implemented). Employee participation therefore leads to support for strategic decisions, which is an essential element within the implementation phase. Ultimately, this research shows that direct participation and communication in briefings positively relate to the strategic process.

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1. Introduction

1.1 Problem description

Recent literature in strategic human resource management (SHRM) and strategic management notice the concept of employee participation in strategy. Employee participation seeks to increase subordinates' input into strategic decisions and therefore contradicts conventional theories that assume that strategy is only based on the knowledge of the top management (Cummings & Worley, 2014; Wilkinson et al., 2010; Mintzberg, 1978). Examples of employee participation are works councils, suggestion schemes, and team briefings (Marchington & Kynighou, 2012). Forms of employee participation are often divided in direct forms (wherein employees are personally involved) and indirect forms (where employees are represented by one of their co-workers or trade union officials on a formal committee) (Marchington & Kynighou, 2012). In addition, financial participation, which is another form of involvement based on a financial share that employees have in the economic value of the organization, can be seen as one other form of employee participation as well (Marchington & Kynighou, 2012; Nieuwland-Jansen, 2015). In literature, open forms of strategy making are noticed for their advantage of enhanced implementation due to the increased commitment of the participants in the formulation of the strategy (Mack & Szulanski, 2017). Previous research also showed that involving employees in strategy making can lead to higher organizational performance and higher employee satisfaction (e.g. Wagner, 1994; Woolridge & Floyd, 1990; Miller & Monge, 1986). Reason for this is the lesser degree of resistance to changes, and higher support and acceptance to strategic plans, as employees have contributed to the strategy themselves (Sagie, Elizur, & Koslowsky, 1990).

Though these insights derived from literature contribute to the understanding of the effects of employee participation, they tend to focus on the micro-effects of it, such as the impact on the satisfaction of certain employees in a department. Until now, the concrete impact of involving employees in the development process of a strategy on the organizational level is has been omitted in literature. Therefore, the focus of this research lays on the impact of employee participation in the process of developing a strategy, often called the strategic process (De Wit & Meyer, 2010). According to De Wit and Meyer, (2010, p.5) the strategic process concerns "the manner in which strategies come about", which in research is often separated in two phases, called strategy formulation and strategy implementation. The strategy formulation phase refers to the process through which a firm defines its overall long-term direction and scope, whereas the second phase, the implementation phase, is the process of turning strategy into action (Gimbert et al., 2010). These phases are often followed by a third phase that involves the evaluation of the outcome of the strategy: the performance of the organization.

Strategy and the strategic process are well-researched subjects in management literature. Nowadays, an organizational strategy that ensures and stimulates competitiveness is necessary for every organization, as for example the developing existence of institutional pressures, globalization, and

technological developments make it very important for organizations to keep changing in order to stay competitive (e.g. DiMaggio & Powell, 1983; Porter, 1990; Govindarajan & Gupta, 2000; Kaleta & Witek-Crabb, 2015). For a long time, researchers mainly focused on strategy as a deliberately and consciously determined plan, made by strategy-makers in the top of the organization, and implemented by lower employees (Mintzberg, 1978; Mintzberg & Waters, 1985; Ansoff, 1965). However, to be able to fully implement a formulated strategy the environment of the organization has to be sufficiently stable, and in the current and future economy this comes with great difficulty. Mintzberg (1978) therefore challenged these conventional theories, and suggested that the strategy-maker can never be fully informed, or at least as well informed as the employees who are expected to implement it, and the environment cannot be predictable enough to circumvent. As a consequence, Mintzberg (1978) states that the strategy making process has to become a learning process, whereby the implementation feeds back to formulation and strategies get modified along the way, resulting in a more bottom-up approach instead of top-down communication (Mintzberg, 1978, p. 946). But not only Mintzberg argues for more involvement of the implementing employees in the strategy making process. In addition, Oswald, Mossholder, and Harris (1994, p. 477) also state that "successful strategy formulation and implementation requires the commitment and involvement of managers of all levels". These ideas are in line with the concept of employee participation, as employee participation practices attempt to increase the input from employees in the strategy.

As Poutsma, Ligthart and Dietz (2013) have investigated, using employee participation practices can directly lead to higher organizational performance. The relevancy of this research is that it looks at the strategic process leading to organizational performance, and the effect of employee participation on the different phases of the strategic process. This research therefore fills in two gaps which are underexplored in research up until now. The first one is the lack of research on the organizational-level impact of using different forms of employee participation in the strategic process. In addition, it fills in the lack of insight in which forms of employee participation exist in practice in the different phases of the strategic process, which until now has been neglected in research. Consequently, the following research question has been posed:

To what extent and how is employee participation related to the phases of the strategic process?

1.2 Research objective

The research objective is to investigate which forms of employee participation are practiced in the strategic process, and the effect of multiple forms of employee participation on the strategic process, and organzational performance as the last phase of the strategic process.

1.3 Theoretical and managerial relevance

This thesis will particularly extend the work of Poutsma and Ligthart (2017), as it tries to give explanations for relationships found in their research regarding employee participation practices and organizational performance. This research also wishes to contribute to the literature from a SHRM perspective. SHRM is that part of HRM theory and research that deals with the link among HRM activities, HRM outcomes, and company performance (Poutsma, Ligthart, & Kaarsemaker, 2017, p.6). In addition, this research focuses on the organizational activities with which employee participation is carried out. In this respect, the activities are the object of analysis. By doing this, it follows a Strategy-As-Practice (SAP) approach. The key insight of SAP research has been that strategy making relies on organizational and other practices that significantly affect both the strategic process and the outcome of resulting strategies (Vaara & Whittington, 2012). By analysing organizational activities, which until now have not been researched in the light of the strategic process, insights of this research can contribute to the SAP literature in which the effect of activities on the process and the outcome of strategies is investigated. Furthermore, every organization has the desire that their strategies are formulated and implemented successfully and to achieve the highest possible performance. In addition, over the last decades employees have increasingly been involved in managerial tasks. As a result of this research, employers become better aware of the impact of employee participation on their strategic process and eventually performance.

1.4 Outline

In chapter 2 the current literature concerning this subject and expectations of this research are discussed. Specifically, the different phases of the strategic process, the different forms of employee participation and expected inter-concept relations are discussed. In chapter 3 the research method is explicated. As it happens, this research will be conducted via a mixed-method study. The Cranet database will be used to do a quantitative analysis on the relationship between different forms of employee practices and the relationship with the strategic process (including performance). In addition, based on the Cranet database it will be investigated whether employee participation can also be seen as a moderating variable on the relationship between having a developed and written strategy (as indicator of the strategic process) and organizational performance. Qualitative interviews in five private companies will be done in order to do an explorative study on the concrete impact of these practices on the phases in the strategic process. Chapter 4 offers an analysis of the results. In the last chapter the conclusion, discussion and further recommendations are presented.

2. Theoretical background

2.1 Introduction

In this chapter the relevant theories and perspectives regarding the formulated research objective will be explained. This will be the starting point for the operationalization and the analysis of gained insights.

2.2 What is strategy and the strategic process?

2.2.1 The design school of strategy (making)

A lot of literature has been written about strategy and making strategy. According to Mintzberg, this literature naturally divides itself into distinct schools of thought (Mintzberg, 1990). One of the most conventional and widely used school of thought in practice, education and literature is the design school, which describes a prescriptive way of looking at strategy (making) (Mintzberg, 1978). Well-known authors in this design school are Andrews (1971), Ansoff (1965) and Porter (1996). In their research, the strategy of an organization is described as a deliberate plan and the strategic process is set of phases following each other sequentially. Porter (1996, p. 64) for example states that strategy is about being different and deliberately choosing to perform activities differently than rivals do. He claims that strategy involves creating a unique and valuable position as an organization, involving a set of activities based on customer's needs, customer's accessibility, or the variety of a company's products or services (Porter, 1996). Strategy making is, according to the design school, the result of a systematic, rational process of deliberate planning by a top management team, which is then communicated to the organization for implementation. Here, top management thus plays the most dominant role in strategy making, and subordinate employees are not involved in the formulation of the strategy but only supposed to implement the deliberately formulated strategy.

2.2.2 Criticism on the design school of strategy making

As stated in the introduction, a lot of criticism has been expressed against the prescriptive design school of thought concerning strategy. As many different opinions and definitions about strategy have been expressed in literature, it can be concluded that "the disagreements run so deep that even a common definition of the term 'strategy' is illusive" (De Wit & Meyer, 2010, p. 3). One of the instigators of the backlash against the conventional idea of strategy as a formulated plan is Henry Mintzberg (e.g. Mintzberg, 1978; Mintzberg & Waters, 1985). Mintzberg distinguishes deliberate strategies, which are the strategies realized as intended, from emergent strategies, which are "patterns or consistencies realized despite, or in the absence of, intentions" (Mintzberg & Waters, 1985, p.257). In order to achieve a perfect deliberate strategy, the environment of the organization must be either perfectly predictable, totally benign, or else under the full control of the organization (Mintzberg & Waters, 1985). Here it is thus very important that intentions of the strategy makers are realized exactly as intended, which means that no external force (coming from the market, technological changes, political impact, etc.) could

interfere with them (Mintzberg & Waters, 1985, p.258). This, however, is in the current economy often not possible. For example, the fast-developing technological environment increases the urgency for organizations to strengthen their absorptive capacity, innovate more, and develop their level of flexibility (e.g. Lall, 1992; Azar & Ciabuschi, 2017). Mintzberg's criticism is based on this assumption as well, and also states that in order to have a fully deliberate strategy and a sequential strategic process, the environment has to be sufficiently stable, or at least predictable, to ensure that there will be no need for reformulation during implementation (Mintzberg, 1978).

In addition, one other kind of criticism which Mintzberg has on the design school of thought, that is relevant for this research, is that it postulates that the strategy-maker formulates from on high while the subordinate employees and lower managers implement lower down. Mintzberg states that it is a false assumption that the formulator is fully informed, or at least as well informed as the implementor (Mintzberg, 1978, p.946). Other studies confirm Mintzberg's statements and note that more open and integrative forms of making strategy are becoming successful and relevant (e.g. Mack & Szulanski, 2017). Open forms of strategy making are "noted not only for their better idea generation via the pooling of participants' knowledge, but also for their benefit of enhanced implementation due to the increased commitment of the participants in the formulation process" (Mack & Szulanski, 2017, p. 385; Whittington, Cailluet, & Yakis-Douglas, 2011). This makes the concept of employee participation even more interesting, as these practices may be the means to create a more open form of strategy making.

2.2.3 Strategy as Practice

In line with the aforementioned statements of Mintzberg, one relevant stream of current studies is the Strategy-as-Practice (SAP) research. The key insight of SAP research has been that strategy making relies on organizational and other practices that significantly affect both the process and the outcome of resulting strategies (Vaara & Whittington, 2012). Consequently, SAP research offers an alternative to the individualistic, top-down models of strategy making of the design school. According to SAP research, strategy is not what organizations *have*, it is what people in organizations *do* (Johnson, Langley, Melin, & Whittington, 2007). SAP thus also opposes to the conventional design school in that it disagrees with the domination of the deliberate strategies designed and owned by the top management, but assumes that strategy is an activity in organizations, typically the interaction of people. In this way SAP focuses on two questions: what do the people engaged in strategizing actually do and how do they influence strategic outcomes? (Johnson et al., 2007, p.3). This research follows the line of the SAP research in combination with the emergent strategy from Mintzberg (1978), as it looks at the activities that happen in organizations where employees are involved in the strategic process themselves.

2.2.4 The strategic process

Although I acknowledge that the strategic process is iterative and the phases should be integrated, it is relevant to look at (the phases of) the strategic process in detail. In this way, it can be researched how and when employee participation is carried out in the process.

Despite some differing details about how strategies come about, broadly speaking two phases are the most important in the strategic process. The first one, the strategy formulation phase, refers to the process through which a firm defines its overall long-term direction and scope. It involves establishing the way a company creates value through the configuration of its activities and resources in the markets in which it operates (Gimbert, Bisbe, & Mendoza, 2010). Often, this phase is seen as the making of the strategy (De Wit & Meyer, 2010). The second phase is the implementation phase, which is the process of turning strategy into action and monitoring and assessing the results (Gimbert et al., 2010). This phase thus entails the influencing of organizational behaviour and change with the formulated strategy (De Wit & Meyer, 2010). Although conventional thinking assumed the two processes as being followed up by each other, the strategy can also be modified and transformed in the implementation phase (Mintzberg, 1994).

Ultimately, the strategy of an organization, whether being deliberate or emergent, will have a certain outcome. Behaviour and actions of employees will have an influence on the performance of the organization, which are also already assessed during the implementation of the strategy. It is, however, relevant and better understandable to add a third phase of the strategic process, namely the strategy outcome. The eventual performance will indicate whether the formulated and implemented strategy were either successful or unsuccessful. To measure organizational performance, often organizations are asked to assess the productivity and gross revenue performance relative to the average in the sector (rating “superior” compared with otherwise). Following Poutsma, Ligthart and Dietz (2013, p.14), a more multidimensional definition of firm performance, which includes financial and non-financial indicators, gives a broader view and is consistent with prior research in the SHRM field.

While the focus of this research is to investigate the impact of employee participation on the strategic process, a first hypothesis is formulated about the strategic process only. More precisely, the relationship between the first two phases and the last phase of the strategic process is examined. As it happens, based on the work of many researchers (e.g. Cavusgil & Zou, 1994; Chandler, 1992; Porter, 1996), it is expected that having a developed strategy, as a result of the first two phases of the strategic process, has a positive impact on organizational performance.

Hypothesis 1: Having a developed strategy is positively related to organizational performance.

In addition, this research follows the idea that strategy formulation, in the first place, does not have to start with only ideas and input coming from the strategy makers in top management, but that the whole organization can be (more) involved in this phase. In addition, there are activities where

employees can participate in the strategy implementation phase as well. Ultimately, the last phase where performance is measured, employees can be involved with. The way this can be done in practice will be looked into in the next paragraphs.

2.3 Employee participation

2.3.1 The concept of employee participation

This research looks at employee participation in the strategic process. However, there are various definitions of employee participation. Firstly, it must be mentioned that the concept of employee participation is considered to be similar to employee involvement and employee voice, as long as it focusses on influence in the context of strategy making. Employee participation, voice and involvement are namely very broad terms with considerable width in the range of definitions given by authors, whereby the width is especially sharp across different disciplinary traditions from political science, psychology, law, management and industrial relations that have different perspectives on the concepts (Budd, Gollan, & Wilkinson, 2010, p. 303). However, participation and involvement in the context of this research can be used interchangeably (Shadur, Kienzle, & Rodwell, 1999). Wilkinson et al. (2010) combine the concepts of participation and involvement in one clear definition, which clarifies that "employee participation encompasses the range of mechanisms use to involve the workforce in decisions at all levels of the organization, whether undertaken directly with employees or indirectly through their representatives" (Wilkinson et al., 2010, p. 9). In this research, there is a special focus on employee participation strategic decisions.

Cummings and Worley (2014) state that employee involvement seeks to increase members' input into decisions that affect organization performance and employee well-being. In this research, these kinds of decisions are translated in the different phases of the strategic process. Employee participation is often researched in the context of HRM and on individual level of commitment or motivation (e.g. Wagner, 1994; Woolridge & Floyd, 1990; Miller & Monge, 1986). Though, this happens often in very specific ways in terms of getting employees to contribute more effectively to the business using their skills and knowledge (Budd et al., 2010).

2.3.2 Forms of employee participation

Although the aforementioned definitions of employee participation contribute to a better understanding of the concept, it does not explicate any specific forms or activities through which employee participation could be achieved. Yet, a lot of literature concentrates on a well-known form of employee participation, which is financial participation. Financial participation implies that employees have a financial share in the economic value of the organization, and thus have a monetary stake or benefit from their work via profit sharing or employee share ownership (Nieuwland-Jansen, 2015; Wilkinson et al., 2010). This form is very relevant when it comes to the last, performance phase of the strategy

making process, as employees are involved in the outcomes of the strategy formulation and implementation. Research found out that employees might be encouraged to participate and behave accurately because there is the expectation that their work efforts might ultimately be rewarded by additional benefits (Wilkinson et al. 2010). Well-known forms of financial participation are employee-share ownership and profit sharing (Poutsma & Ligthart, 2017). In this research, the forms used by Poutsma and Ligthart (2017) will be followed. They distinguish between employee share ownership schemes (ESO), stock option schemes (SO), and, for the sake of comparison, profit sharing schemes (PS) (Poutsma and Ligthart, 2017, p.35).

Marchington and Kynighou (2012), however, restricted their analysis to direct, indirect and informal forms of employee participation "rather than the wider definition that includes forms of job redesign and team-working as well as financial involvement through profit-sharing and employee-share ownership" (p. 3338). Their research is very helpful in order to clarify which other forms of employee participation are possible, next to financial participation. The following three dimensions of employee participation are explained by Marchington and Kynighou (2012) and Marchington (2015):

- Direct participation: "Direct EIP is where employees are personally involved in a formal practice, such as team briefing and suggestion schemes." (Marchington & Kynighou, 2012, p. 3338). These are the formal practices that involve employees directly in the strategic process. Next to team briefing and suggestion schemes, direct participation can be achieved through direct contact with senior managers or immediate superiors, regular workforce meetings, attitude surveys and/or electric communication.
- Representative/indirect participation "is where workers are represented by one of their co-workers or trade union officials on a formal committee, such as for joint consultation or health and safety, on European Works Councils, Company Boards or as part of partnership agreements." (Marchington & Kynighou, 2012, p. 3338). There is a small difference between indirect participation and representative participation. Indirect participation encompasses collective bargaining (which gives employees influence on the general terms of work), and representative participation works through union representation, work councils, and joint consultation committees (which allows influence over the more detailed terms and conditions of work within organizations) (Poutsma & Ligthart, 2017, p.26).
- Informal participation: "It includes ad hoc interactions between line managers and their staff which encourage information-passing, consultation and sharing ideas. It is defined as a process which allows workers to exert some influence over their work and conditions under which they work." (Marchington, 2015, p. 2596).

In this research, direct and representative employee participation will be the most relevant forms of participation to investigate. This research is based on the SAP-approach and aimed at researching concrete firm-level activities with which employees are (directly) involved in the strategic process.

Indirect participation forms are rarely organized as activities, but are based on structural embeddedness in and outside the organization, such as the collective labour agreement and a trade union. Considering the feasibility of this research and the focus on the SAP-approach, indirect participation is only represented by works councils in this research (as it can be argued that its activities are closely in line with organizational HR-practices). Moreover, informal participation is a form of participation that is not organized in the organization, as it happens on an ad hoc basis and is different for every employee. For example, one employee might be driving to work together with a manager and frequently discuss ideas concerning strategy, while another employee might work at the other side of the organization and rarely has to deal with the manager. It is therefore difficult to make generalizable assumptions concerning informal participation activities happening in the organization. Due to restrictions concerning time and scope of this research, informal participation is therefore not actively researched.

2.3.3 The effect of employee participation on employees

Nieuwland-Jansen (2015, p. 18-19) describes three general effects of financial participation forms on the behaviour of employees, found in literature. The first one is the ownership-effect, which states that because of having shares employees can feel like being co-owner of the organization and therefore act in accordance with the strategy and goals of the organization. The behavioural effect which relates to this is an increased effort and commitment to sustain the organization and protect it against negative influences from the organization's environment. The second effect, called the motivational effect, relates to the expectation that individual employees have about individual rewards. Employees will be motivated because their own efforts might lead to positive outcomes or results for the themselves, for example an extra amount of money to invest in a vacation. The third effect is the commitment-effect. This effect describes that employees starting to identify themselves with the organization and its goals and strategy. Employees will strive for the aim of the company and will be more in line with the strategy makers. The concrete effect on the behaviour of employees will be that they will be actively following the performance of the company, being concerned with shaping the organization, and trying to decrease costs. All three of these effects are eventually expected to have a positive effect on organizational performance.

It is expected that the first ownership-effect only relates to financial participation and not so much to other forms as this is purely focused on feeling co-ownership based on financial agreements. However, the motivational effect might also be applicable to other forms of participation. It could be that in practice employees who are involved in the strategic process and thus are more informed about certain aims and goals of the organization, become more motivated to achieve the goals in order to receive a higher salary or maybe a bonus if the strategy is successful. In addition, the third effect is an effect that occurs due to employees being more involved and informed about the strategy, and therefore being more committed. Research on other forms of employee participation next to financial participation confirmed this effect (e.g. Sagie, Elizur, & Koslowsky, 1990).

2.3.4 Using different forms of employee participation simultaneously

It is important to realize that different forms of employee participation have different effects (Nieuwland-Jansen, 2015). In addition, one employee participation practice might have other effects when it is bundled with another participation practice. Besides research on complementarities of financial participation with direct participation in general, very little research using multiple forms of (direct) employee participation simultaneously is known (Marchington & Suter, 2013). Some research in other contexts did investigate complementarities between direct participation and other forms of participation, yet not in the context of the strategic process. For example, Bryson (2004) found out that direct participation is more effective than representative participation in its effect on better perceptions of managerial responsiveness. However, not all direct participation forms were equally effective. In addition, Bryson's research also found that forms of direct and representative participation did complement one another (Bryson, 2004). In addition, Pyman et al. (2006) investigated direct and indirect employee participation and found that employees perceived a plurality of employee participation forms as most effective in eliciting managerial responsiveness, having job control and an influence over job rewards. Their argument in favour of using multiple forms of employee participation is that "it is the interaction a co-existence of multiple channels that are most effective and legitimate, in employee's minds, in achieving organizational outcomes" (Pyman et al., 2006, p. 556).

Regarding the last performance phase of the strategic process, Summers and Hyman (2005) state that the potential for positive impact of employee participation on performance increases when different employee participation forms are combined, for example as financial and work-related participation, or as representative and direct participation. An explanation for this is that different employees have different motivations: one employee might respond to financial incentives and another to more social ones. Therefore, a combination of financial and direct or indirect participation appears to have a positive effect on performance (Summers & Hyman, 2005).

2.3.5 The relationship between financial participation and direct participation

Poutsma and Ligthart (2017) have made an overview of research concerning financial participation and employee voice. Voice is defined as "a process that allows employees to exert some influence over their work and the conditions under which they work" (Poutsma & Ligthart, 2017, p. 26). As already stated, voice is very much related to employee participation, as employee voice can incorporate various forms of participation developed directly between management and lower employees. Researchers argue that organizations initiate employee participation activities for reasons of "dynamic efficiency" and "organizational capabilities". To sustain and develop these capabilities, "financial participation may provide for a return on these employee investments in human and social capital" (Blair & Kochan, 2000; Poutsma & Ligthart, 2017, p. 27). The relationship between financial participation and direct participation can be two-folded. In the first place, financial participation may be perceived as a reward for participating in (the strategic process of) the organization and hence may be seen as a pay-off for

direct participation (Levine & D'Andrea Tyson; Poutsma & Ligthart, 2017). On the other hand, involvement via financial participation may trigger demand for greater communication and involvement in work decisions and thus stimulate direct participation (Poutsma & Ligthart, 2017). As it happens, when profiting from the outcome of the strategy, via financial participation, employees may have a greater demand to participate in the earlier phases of the strategic process and the decision-making that comes with the strategy.

As already mentioned, Poutsma and Ligthart (2017) already investigated the relationship between financial participation and other forms of employee participation on organizational performance. However, this research will also study the direct effect of employee participation on organizational performance, in order to give a complete view of the impact of employee participation. The three effects described by Nieuwland-Jansen (2015) can explain the relationship between the two concepts. The following hypothesis is formulated:

Hypothesis 2: Employee participation is positively related to organizational performance.

2.3.6 The importance of communication

It is remarkable that the definition of direct employee participation (Marchington & Kynighou, 2012) also includes team briefing as an example. To the best of my knowledge, a briefing is meant to inform and instruct employees. It does not necessarily mean that the input of employees is used, nor that a bottom-up form of the strategic process is achieved. It could be possible, however, in case the employees might communicate their own views about the strategy in these briefings. Regardless, in this research (direct) employee participation and communication in briefings are separated. Both is possible in briefings. It is nonetheless relevant to include communication about the strategic process to employees as it can be a starting point to involve employees and they first must know about the strategy in order to participate in the strategic process.

The impact of communication and informing employees about strategic decisions on the outcome of strategies is already recognised in literature, and it is argued that insufficient information and participation in the strategic process might leave employees vulnerable to moral hazard and lead to conflict with management, which in consequence can lead to lower performance (Pérotin & Robinson, 2002, p. 3). In addition, employee attitudes toward the organization's strategy are proven to be an important factor in the success of an organizational strategy (Choi & Price, 2005; Richard et al., 2003). Moreover, with regard to this research it can be expected that using communication in briefings and other forms of employee participation can act as a moderating variable on the relationship between the first two phases of the strategic process and organizational performance as a third phase of the process. As it happens, it can be argued that in order to make a strategy successful, employees should be informed about and/or involved in what happens in the strategic process.

Therefore, the following hypothesis is proposed:

Hypothesis 3: The positive relationship of having a developed strategy with organizational performance is stronger for organizations that use employee participation forms than for organizations that do not use any form of employee participation.

2.4 Employee participation in the strategic process

Up until now, it has been underexplored to what extent employee participation practices are used in the context of the strategic process, and where in the strategic process these practices are used. This research will fill in this gap by researching it qualitatively. This part of the research is rather exploratory, as there very little research is conducted with regard to this subject. I now elaborate on the scant existing literature that focuses on the strategic-level impact of employee participation.

Firstly, in literature it is argued that information asymmetry that exists between management and employees can be eliminated by employee participation, since the employees can provide new ideas and solutions for problems from their practical experience (Wigboldes, Looise, & Nijhof, 2008; Huang, 1997). As it happens, when employees actively participate in the strategic decision-making process, the flow of new ideas and collaboration within the organization enhances problem solving capacities and improves the quality of decisions made in the strategic process (Lahovary, 2000; Carmeli, Sheaffer, & Yitzack Halevi, 2009). Through participatory decision-making processes the cognitive capacity of the decision-making group is increased, allowing the organization "to engage in both exploration and exploitation orientation, thus bettering the probability of making quality decisions" (Carmeli et al., 2009, p. 700).

At the same time, when organizations use forms of employee participation, employees can correct and prevent opportunistic management behaviour and, through this, contribute to improved organizational performance (Wigboldes et al., 2008, p. 313). For example, Wigboldes et al. (2008) give an example where he works council prevented management taking the easy option of outsourcing a department that was only underperforming due to a lack of appropriate management attention (p. 320). This perspective is also supported by other researchers. For example, Falkum (2003) contributes that employees can resist bad or poor strategies and decisions suggested by the top management when they are participating in the strategic process. By using employee participation practices, it can be prevented that the management puts their own interests above those of the whole organization (Wigboldes et al., 2008). This subject slightly touches the concept of democratic decision-making (e.g. Krishnan, 1974). However, employee participation does not necessarily imply that a democratic decision-making style is used. Since employee participation is broader than making democratic decisions, this thesis will not elaborate on this specific field of literature.

Ultimately, the research of Carmeli et al. (2008) has shown that employee participation in the strategic (decision-making) process is positively associated with decision effectiveness. Decision

effectiveness can be defined as the extent to which strategic choices of the organization in the past three years have been realistic (Carmeli et al., 2008, p. 699). Realistic or unrealistic strategic decisions are hereby "a product of a decision-making process where there has been a high or low breadth, and options or alternatives have (or not) been thoroughly sought [and] an indication of a high or low level to which the decision makers have extensively considered and assessed long-term threats and opportunities in the firm's task environments" (Carmeli et al., 2008, p. 699). Lastly, researchers also see a benefit of enhanced implementation due to the increased commitment of the employee participants in the formulation process (Mack & Szulanski, 2017).

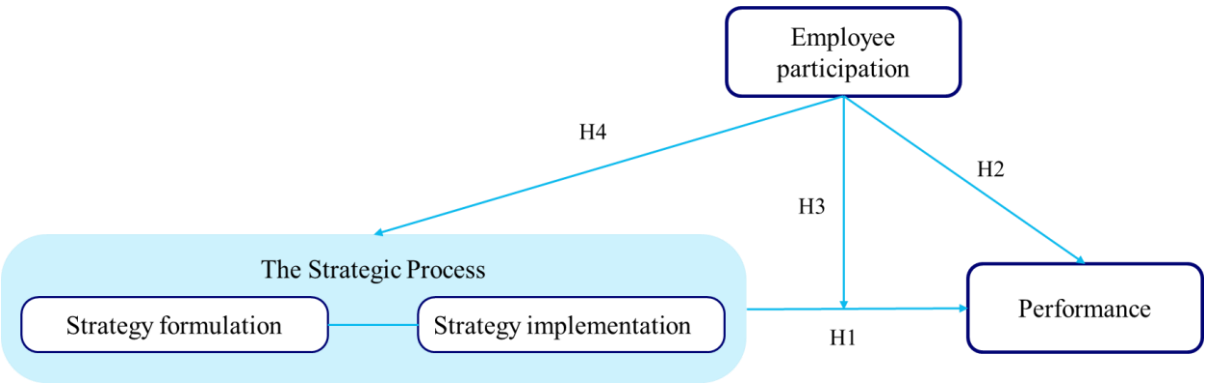
Based on the abovementioned, it is expected that because employee participation has an impact on decisions made in the strategic process, the outcome of the strategy (performance) will be better. I formulated an explorative hypothesis which explicates the expectations about the relationship between employee participation and the first two phases of the strategic process, namely strategy formulation and strategy implementation, specifically.

Hypothesis 4: Employee participation forms are positively related to the first two phases strategic process.

2.5 Conceptual model

The following model shows the concepts researched and the expected relationships and formulated hypotheses. As already stated, examining hypothesis 1, 2 and 3 is mainly done by using quantitative analyses. Hypothesis 4 is mainly being explored by use of qualitative analysis. Hypothesis 3 is not researched qualitatively. The rationale for this will be explained in the next chapter.

Figure 1: Conceptual model



3. Methodology

3.1 Introduction

This section provides the basis for the mixed-method analysis. In that matter, information about the organizations in which the research was done and the database which is used is uncovered. This will be followed by clarifications about the research strategy, data-collection and -analysis, and the reliability and validity of the research.

3.2 Research strategy

This research has two sides. On the one hand, I will do quantitative research in order to be able to give explanations for a large group of companies. The quantitative data was collected using a postal survey of senior HRM directors from organizations with more than 100 employees in all sectors of the economy, merged into the Cranet database in the year 2015. Cranet is now the largest HRM network in the world and the only one that has been collecting comparative data on HRM in different countries for more than two decades. The Cranet-data of the year 2015 will be used to give relevant insights in what kinds of employee participation practices happen in a large number of organizations. In addition, hypotheses 1, 2 and 3 will be quantitatively investigated. This will be done by using linear regression analyses.

However, the Cranet-database cannot fully answer the research question, as it does not explain where in the strategic process the employee participation happens. In other words, hypothesis 4 is hard to research quantitatively. Therefore, this research also includes an exploratory part, in which an unknown, social situation in organizations is described. As it happens, this research focuses on the relationship between employee participation and the phases in the strategic process, which has not been looked at in research yet. The qualitative research approach is therefore the most appropriate, since the goal of this part of research is to get in-depth notions of a phenomenon in its natural context, and to describe this adequately (Boeije, 2005). By including five company cases in which one interview is done in May or June 2019, it was possible to analyse thoroughly and compare different data, which improves the quality of the research. The choice has been made to include five company cases which all practice employee participation, since this is the focus of this research. As a result, hypothesis 3 will not be researched qualitatively. Functions of the interviewees varied, but in advance it was ensured that interviewees were familiar with both employee participation practices and the strategic process. All case companies are large, and range in a number of employees from 1.100 to 23.000. In addition, as financial participation is expected to be the least usual form of employee participation in the Netherlands, it was ensured in advance that the organization used financial participation practices. Using multiple cases enhances the generalizability and external validity of a research (Yin, 2009). It is also assumable that conclusions drawn on five separate cases are more reliable and valid than conclusions based on one case and contribute to a better understanding of the quantitative results.

The following table 1 shows the company cases used for the qualitative research. The names of de companies are made anonymous. Convenient research ethics have been kept in mind during the data gathering (for example, the research goals have been made transparent to the case companies, interviewees have had the freedom to withdrawn from the research, and anonymity is guaranteed).

Table 1

Company name	Industry	Size	Function interviewee
Firm 1	Foodservice/retail	Large	CHRO (Director Personnel and Organization)
Firm 2	Semiconductors	Large	Senior Vice President Strategic Business Development
Firm 3	Insurance	Large	Manager Personnel and Organization Policy
Firm 4	Engineering & advisory	Large	Senior Partner
Firm 5	Engineering & advisory	Large	Managing Director and Board Member of the Major Shareholder of the Firm

The interview script that is used in every interview is included in appendix 3. The interviews with the five case-companies were recorded and completely transcribed in order to make it possible to agree on the content and to assist the progress of the analysis. Using a theory-based coding approach, the most relevant quotes on the concepts of this study were selected. For each concept and their inter-concept relationships (as expected and described in the formulated hypotheses), the quotes were ranked on a three-point scale from (1) most relevant to (3) least relevant. The findings will be presented and discussed in chapter 4.

3.3 Variable construction

It is important to make sure that the concepts from the literature become measurable in this stage of the research. I now shortly identify the independent and dependent variables for this research. They are based on the conceptual model, as shown in figure 1. For the measurement of the concepts in this research, variables from Cranet are used and will serve as their indication. In appendix 1 the operationalization scheme is included and gives more insights in how the quantitative operationalization of the concepts has been done.

Dependent variables

Performance

As already stated, the work of Poutsma, Ligthart and Dietz (2013, p.14) is followed to operationalize the concept of performance in a broad-based way. Therefore, the following perceptual financial indicators were included in this research: (1) gross revenue, (2) stock market performance, and (3) profitability. In addition, the non-financial indicators are: (4) innovation rate, (5) productivity, (6) service quality, and (7) market-time relative to other organizations in the company's sector (Poutsma, Ligthart, & Dietz, 2013).

Strategic process

Although this concept intensively will be researched in the qualitative part of this research, it also will be included as a variable in the quantitative analysis. In other words, the phases of the strategic process are not in detail investigated, but whether strategies are explicated in the organization is used as an indicator for this concept. This variable has six indicators, which all include a possible written statement. Indicators are the existence of a written: Mission statement, Business/service strategy, Personnel/HRM strategy, HR recruitment strategy, HR training & development strategy, Corporate Social Responsibility (CSR) statement and/or Diversity statement.

Independent variables

The independent concepts of this analysis are the factors that influence the performance of organizations and factors that influence the strategic process, as presented in the conceptual model. These factors are based on the findings in the literature stated in chapter 2. Two categories of independent variables are identified.

Employee participation

This concept is represented by four variables. These are direct participation, indirect participation, financial participation and communication in briefings. The first three variables are already explicated when discussing the concepts in chapter 2. The variable communication is broad-based and concerns whether or not managers, professionals and clerks/manuals are formally briefed about the business strategy and the financial performance of the organization. It will be investigated whether practicing employee participation has an influence on the performance of organizations and on the strategic process.

Strategic process

In two ways this variable is also an independent variable. Firstly, with including this variable as an independent variable, it can be investigated whether having written statements of strategies in this context has an influence on the performance of organizations. In addition, it is also investigated in

combination with the indicators of the variable Employee Participation in order to see whether there is an interaction-effect on performance.

Control variables

Size and Industry

Various organizational characteristics influence the way employee participation has been organized in organizations and/or how the performance of organizations is looked at. These characteristics are usually variables in which researchers are not particularly interested, but that are related to the dependent variable. Such control variables are widely used in research (Chen & Huang, 2009). In this research, control variables Size and Industry are included.

3.4 Validity and reliability

The concepts used in this research were based on existing theory or reasonable assumptions as much as possible. Such an operationalization increases construct validity. The informants for the interviews were chosen deliberately to ensure internal validity. At the start of the interview it was re-checked whether the interviewees had knowledge about employee participation practices and strategy in the organization. For respondents in both the Cranet-database and the interviews their anonymity was guaranteed. Furthermore, the interviews were semi-structured, and were closely related to the conceptual model with a focus on organizational practices instead of opinions. This interview method is reliable, as the same method is used in each interview and results are better comparable. The fact that the interview is semi-structured contributes to the validity of the research because it also allows additional, relevant information to become apparent. Because of the combination of the qualitative interviews with the quantitative data from the Cranet-database, so using multiple sources of evidence, data triangulation was achieved. This increased validity and consequently led to more convincing and accurate conclusions (Yin, 2009).

Two measures were taken to make the effect of multi-interpretability as small as possible. Firstly, during the interviews I regularly shortly summarized what the interviewee had said, in order to verify if the interviewees were well understood. This contributed to the reliability of this research. Then, the 'Four-eyes principle' was practiced in every important decision that had to be made during this research (Doorewaard, Kil, & Van de Ven, 2015). This principle is aimed at letting more than one researcher decide, or at least let others reflect on the ideas and judgements of the researcher. Throughout the process of writing this master thesis I frequently met with my supervisor to discuss the research process and the essential decisions that had to be made.

4. Results and analysis

4.1 Introduction

To be able to answer the research question of this research, quantitative and qualitative research techniques have been conducted. In this chapter the results of these quantitative and qualitative methods are discussed. The first part of the chapter is dedicated to the quantitative results and analysis of these results. Firstly, the descriptive statistics of the sample are discussed. Then, the two structural models and their corresponding hypotheses are researched. The second part of this chapter discusses the outcomes of the qualitative interviews. After the results on the main concepts are discussed, the inter-concept relations and findings on the hypotheses are elaborated on. Finally, the chapter will be finished with a short conclusion on whether the formulated hypotheses included in the conceptual model are confirmed or rejected, based on the results of both the quantitative and the qualitative research.

4.2 Quantitative results and analysis

With the previously mentioned variables a linear regression has been done. Linear regression requires the dependent variable to be metrically scaled. In this research this is indeed the case.

4.2.1 Descriptive analysis of the sample characteristics

Quantitative analyses were conducted on the relationship between employee participation, the strategic process and relative performance. The descriptive statistics of the quantitative Cranet data are presented in Table 2. Privately owned firms with more than 100 employees were included in the study. In addition, organizations from the 15 most western countries in the European Union were included. The eventual sample size of the Cranet data is 1482. The firms have on average 2.806 employees (M= 2.806,18, SD= 12.468,46) with a minimum of 100 and maximum of 195.378 employees (mode= 300, median= 470). Industries in which the firms operate are Construction, Transportation/Communication, Banking and finance, Chemicals (energy; non-energy), Other industries (e.g. services) and Manufacturing. For the purpose of the research and analyses, variables have been converted into dummy variables. The variable 'Industry' was converted into a dummy with the industry 'Manufacturing' as the reference category.

Hair et al. (2010) state that missing data over 10% for an individual response should be studied. Researchers should determine whether to delete certain responses when they have over 10% missing data in a compromise between sample size and potential problems with missing data. For some variables/indicators used in this research several missing values were found. However, out of the sample of 1482, all the missing values fall within the margin of 10%, giving no reason to stop the analysis.

In order to start the analysis, the main assumptions regarding linearity, normality and homoscedasticity are required to be met (Hair et al., 2010). During the data analysis it turned out that the control variable 'firm size' did not meet the requirements of normality (Skewness= 9,572). Therefore, the choice has been made to logarithmic transform it into lnSize, correcting the strong right skewed distribution to a

more normal distribution. This was possible, as the variable only consists of positive data. The skewness after transforming is 1,277. All the other variables met the requirements.

To form variables that show a high validity and reliability, it is important to first assess the measured variables univariately. This is done in a first step by using the frequencies option in SPSS. Table 2 shows the descriptive statistics of the variables, derived from the Cranet data of 2015. In appendix 2, the reliability statistics and item-total statistics of the constructs are included.

The Strategic Process

Looking at the strategic process as a concept, the decision has been made to consider written strategy statements as an indicator of having undergone the strategic process (as in the end there is a strategy which is formulated and assumed to be spread in the organization). In other words, a reflective scale is used. Still, it must be mentioned that this is bridge assumption, as it implies that the elaborate (written) strategies correspond with an elaborate strategic process. Cranet includes seven possible kinds of written strategies. These are a written: Mission statement; Business/service strategy; Personnel/HRM strategy; HR recruitment strategy; HR training & development strategy; Corporate Social Responsibility (CSR) statement and/or Diversity statement. The scale is reliable, given a Cronbach's alpha of 0.741. Data shows that on average organizations have 4,68 out of 7 written strategies (SD=1,95). 23,55% of the organizations have all kinds of written strategies (included in Cranet).

(Relative) Performance

The concept of Performance has no missing values in its initial seven indicators and an acceptable central tendency. However, the result of the reliability analysis shows a Cronbach's Alpha of 0.694, which is slightly too low to guarantee a strong reliability. The exclusion of the indicator Stock Market Performance raises this value to 0.740, which is substantially higher. In addition, not every organization has stocks, so it is also conceptually argumentative to exclude this indicator. Therefore, the decision has been made to exclude it. The remaining six indicators, shown in table 2, form a factor that has a considerably high reliability and still cover a broad range of financial and non-financial performance indicators. The indicators are all metrically scaled, as a five-point scale is used. Possible answer categories were 'Poor or at the low end of the industry', 'Below average', 'Average or equal to the competition', 'Better than average' and 'Superior'.

Employee Participation

The concept of employee participation is constructed by four variables, namely direct participation, indirect participation, communication in briefings and financial participation.

The first variable, direct participation, shows whether the five possible methods are used to let employees directly communicate their views to management. These are all metrically scaled, as a five-point scale ranging from 'not at all' to 'to a very great extent' is used. The second variable, indirect

participation, has only one indicator. This shows the extent to which the work council is used to communicate the views of employees to management, on a scale from 1 to 5. The variable communication in briefings examines the extent to how managers, professionals and clerks/manuals are formally briefed about the business strategy and the financial performance of the organization. This variable uses 6 indictors, as each group of employees (managers, professionals and clerks/manuals) can be both briefed about the business strategy and the financial performance of the organization. As it turns out, managers belong to the group of employees which is around 95% of the times informed about the business strategy and the financial performance. The other two groups of employees are less informed about the strategy and performance of the organization; only 67% of the organizations inform their professionals and around 57% of the organizations inform their working staff. In the end, the variable communication of briefings has a mean of 4,41, which means that on average organizations positively answered on 4,41 of the 6 indicators (SD=1,70). With regard to the last variable, financial participation, the same idea of communication in briefings is used, but now the offering of employee share schemes, profit sharing and/or stock options to the three groups of employees is examined. However, on average only 1,62 of the indicators are used in organizations (mean=1,62, SD=1,90). In this respect, profit sharing is the most used financial participation practice in organizations. Stock options for professionals and clerk/manuals is the least used financial participation practice.

Table 2: Descriptive Statistics of the Cranet-database (2015)

Determinants	**Description**	**Frequency (%)**	**Mean**	**SD**
Size	Size of the firm in total number of employees	470 (median)	2806,18	12468,47
InSize	Size of the firm in total number of employees (log)		6,47	1,31
Industry				
Construction		5,20		
Transportation \ Communication		10,80		
Banking and finance		8,30		
Chemicals (energy; non-energy)		8,10		
Other industries (eg services)		34,41		
Manufacturing		29,22		
Relative Performance	On a scale from 1 to 5, compared to other organisations in your sector, the rate of performance of the organisation in relation to the following:			

Determinants	Description	Frequency (%)	Mean	SD
Service quality			3,96	1,00
Level of productivity			3,57	1,09
Profitability			3,38	1,18
Rate of innovation			3,47	1,21
Environmental matters			3,21	1,43
Gross revenue			3,68	1,38
Strategic Process	Total number of written strategies in the organization Mission statement; Business/service strategy; Personnel/HRM strategy; HR recruitment strategy; HR training & development strategy; Corporate Social Responsibility (CSR) statement; Diversity statement)		4,68	1,95
0		2,77		
1		4,59		
2		8,30		
3		12,35		
4		13,83		
5		17,61		
6		17,00		
7		23,55		
Employee participation				
Direct participation	On a scale from 1 to 5, the extent to what the following methods used for employees to directly communicate their views to management			
Direct to senior managers			2,13	1,20
Through immediate superior			3,11	0,91
Through regular workforce meetings			1,87	1,27
Team briefings			2,14	1,27
Suggestion schemes			1,25	1,27
Attitude surveys			2,03	1,43
Electronic communication			2,14	1,30
Indirect participation	On a scale from 1 to 5, the extent to which the work council is used to communicate the views of employees to management		1,45	1,28

Determinants	Description		Frequency (%)	Mean	SD
Communication in briefings	The extent to how managers, professionals and clerks/manuals are formally briefed about the business strategy and the financial performance of the organization. (Metrically scaled, minimum of 0 and maximum of 6).			4,41	1,70
Strategy briefing: managers		Yes /no	94,94		
Financial briefing: managers		Yes /no	95,61		
Strategy briefing: professionals		Yes /no	67,81		
Financial briefing: professionals		Yes /no	67,21		
Strategy briefing: clerical/ manual		Yes /no	56,48		
Financial briefing: clerical/ manual		Yes /no	58,64		
Financial participation	The offering of employee share schemes, profit sharing and/or stock options to managers, professionals and clercs/manuals. (Metrically scaled, minimum of 0 and maximum of 9).			1,62	1,90
Employee share options: managers		Yes /no	23,28		
Employee share options: professionals		Yes /no	10,46		
Employee share options: clercs\manuals		Yes /no	8,77		
Profit Sharing: managers		Yes /no	36,71		
Profit Sharing: professionals		Yes /no	27,53		
Profit Sharing: clerks\ manuals		Yes /no	23,89		
Stock Options: managers		Yes /no	21,73		
Stock Options: professionals		Yes /no	6,48		
Stock Options: clerk\ manuals		Yes /no	3,64		

Information on (inter-)correlations among variables can be found in Table 14 in the Appendix. In short, as also can be concluded when looking at the multicollinearity statistics, some determinants are significantly correlated, though in a limited and acceptable way.

4.2.2 The models

Linear regression is used to study the linear relationship between one dependent variable and one predictor (independent) variable. In the research design this means that two relationships are examined with linear regression. Firstly, the relationship between Relative Performance with the independent variables Strategic Process, Direct Participation, Indirect Participation, Communication in Briefings and Financial Participation is (separately) examined. The dependent variable, Relative Performance, consists of six indicators (which show on a scale from 1 to 5, compared to other organizations in the organization's sector, the rate of performance of the organization in relation to Service quality, Level of productivity, Profitability, Rate of innovation, Environmental matters and Gross revenue).

In addition, the moderating effect of Direct Participation, Indirect Participation, Communication in Briefings and Financial Participation on the relation between the Strategic Process and Relative Performance is analyzed.

However, this is not the only model included in this research. After this, the variable 'Strategic Process' is used as a dependent variable, and its relationship with Direct Participation, Indirect Participation, Communication in Briefings and Financial Participation is (separately) examined. In this model there are no moderating effects investigated.

In the following paragraph, the model regarding organizational performance will be analyzed first. The corresponding hypotheses will be discussed. After this, the second model regarding the strategic process will be analyzed. Hypotheses with regard to this model will be covered hereafter.

4.2.3 Linear regression and hypotheses

Model regarding organizational performance

The first linear regression is conducted in a four steps enter-method, including four models. Looking at the ANOVA table, included in table 15 in the appendix, it can be concluded that each of the models is significant (*Sig > .01)*. Model 0 shows only the dependent variable Relative Performance. Model 1 includes the effects of the control variables (predictors) Industry and InSize. Next, model 2 contains all previously mentioned variables and the independent variable Strategic Process. Model 3 also contains all previously mentioned variables and adds the four independent variables representing the concept of Employee Participation (Direct Participation, Indirect Participation, Communication in Briefings and

Financial Participation). Ultimately, model 4 includes all variables of model 3 and the interaction terms of the four Employee Participation variables and the Strategic Process. This model shows the results of the full model containing the main effects and interaction effects of the control variables and independent variables (df (Regression) = 15, df (Residual)= 1.407, F=7,754).
All steps can be found in table 3.

Table 3: Model Statistics Summary with Relative Performance as dependent variable

Model	**R**	**R Square (R^2)**	**Adjusted R Square**	**Std. Error of the Estimate**	**Change Statistics**				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.115[a]	0,013	0,009	0,77550	0,013	3,167	6	1416	0,004
2	.201[b]	0,040	0,036	0,76504	0,027	40,005	1	1415	0,000
3	.269[c]	0,072	0,065	0,75323	0,032	12,174	4	1411	0,000
4	.276[d]	0,076	0,067	0,75269	0,004	1,510	4	1407	0,197

The R^2 values presented in table 4 tell generally how much variation in the outcome is explained by the model. It can be concluded that with each step between model 1 and model 4, the value of the R^2 values increases (though the addition of the interaction terms does not increase the R^2 substantially). The R^2 of 0,076 in model 4 means that 7,6% of the variance in relative performance is explained by model 4. Henceforth, the most informative full model, i.e. Model 4 will be used in the research.

Prior to interpreting the results of the linear regressions, inspection in order to meet the assumptions of normality, linearity and homoscedasticity has been done and no problems were found. The results of the first linear regression analysis are tabulated in table 4. Next to the B- and Beta coefficients and significance, two measures of multicollinearity were examined. Both the tolerances and the VIFs were inspected and no problems were found (lowest tolerance is 0,719 and highest VIF is 1,675).

The influence of the strategic process has been conceptualized, and is expected to be positively related to organizational performance. The following hypothesis was formulated in chapter 2:
Hypothesis 1: Having a developed strategy is positively related to organizational performance.

The results of the linear regression show that the Strategic Process (operationalized as having developed and written strategies in the organization) does have a significant positive effect on the relative organizational performance. The standardized coefficients give support for hypothesis 1 (Beta = 0,077, p = 0,020), meaning that after controlling for the other predictors in the model, a 1 standard deviation increase in the strategic process will result in a .077 increase in relative performance. Hypothesis 1 is therefore accepted.

In addition, the influence of Employee Participation has been conceptualized, and is also expected to be positively related to organizational performance. The following hypothesis was formulated:
Hypothesis 2: Employee participation is positively related to organizational performance.
In other words, it is investigated what the impact of Direct Participation, Indirect Participation, Financial Participation and Communication in Briefings is on Relative Performance.

As can be seen in table 4, linear regression shows that Direct Participation, Indirect Participation and Financial Participation are significantly related to the relative performance of the organization. Communication in Briefing is not significant and therefore not assumed to be related with the relative performance of organizations. It is remarkable, however, that Indirect Participation is negatively related to organizational performance, which means that an increase in the extent to which employees can communicate their views to management via works councils, is negatively related to the performance of the organization, while a positive relation was expected. Therefore, this relation does not confirm the positively formulated hypothesis. For the other two significant relations, concerning Direct Participation (Beta = 0,161, P = 0,000) and Financial Participation (Beta = 0,077, P = 0,006) in relation to Relative Performance, linear regression shows that this relation is positively significant.
For this reason, it can be stated that hypothesis 2 is partially accepted.

Table 4: Results regression analysis with Relative Performance as dependent variable

	Unstandardized Coefficients		***Standardized Coefficients***
	B	**Std. Error**	**Beta**
(Constant)	2,947	0,129	
lnSize	0,018	0,017	0,029
Construction	-0,044	0,095	-0,012
Transport/Communication	**-0,171***	0,071	**-0,067***
Finance	-0,019	0,078	-0,007
Chemicals	-0,033	0,078	-0,011
Other Industries	**-0,067***	0,049	**-0,041***
Strategic Process	**0,031***	0,013	**0,077***
Direct Participation	**0,167*****	0,030	**0,161*****
Communication in briefings	0,014	0,013	0,029
Indirect Participation	**-0,039***	0,016	**-0,064***
Financial Participation	**0,031****	0,011	**0,077****
i_DirectParticipationStrategicProcess	0,005	0,015	0,009
i_CommunicationInBriefingsStrategic Process	-0,001	0,006	-0,007
i_IndirectParticipationStrategicProcess	0,015	0,008	0,056
i_FinancialParticipationStrategicProcess	-0,010	0,006	-0,047

*** p<.001, **p<.01, *p<.05

Model regarding the strategic process

The second linear regression is conducted in a two steps enter-method, including two models. Looking the ANOVA table, included in table 16 in the appendix, it can be concluded that both models are significant (*Sig > .001)*. Model 0 shows only the dependent variable Strategic Process. Model 1 includes the effects of the control variables (predictors) Industry and InSize. Next, model 2 contains all previously mentioned variables and the four independent variables representing the concept of Employee Participation (Direct Participation, Indirect Participation, Communication in Briefings and Financial Participation). All steps can be found in table 5.

Ultimately, model 2 is the most informative full model (df (Regression) = 10, df (Residual)= 1412, F= 38,541). The R^2 of 0,214 in model 2 means that 21,4% of the variance in the strategic process is explained by model 2.

Table 5:Model Statistics Summary with Strategic Process as dependent variable

Model	**R**	**R Square (R^2)**	**Adjusted R Square**	**Std. Error of the Estimate**	**Change Statistics**				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.258[a]	0,067	0,063	1,88138	0,067	16,895	6	1416	0,000
2	.463[b]	0,214	0,209	1,72862	0,148	66,334	4	1412	0,000

The results of the second linear regression analysis are shown in table 6. Next to the B- and Beta coefficients and significance, again two measures of multicollinearity were examined. Both the tolerances and the VIFs were inspected and no problems were found (lowest tolerance is 0,736 and highest VIF is 1,357). With regard to the first hypothesis related to this model, it was expected that the relation between having a developed/written strategy and organizational performance is stronger for organizations that use employee participation forms (direct-, indirect-, communication and financial participation) than for organizations that do not use any form of employee participation. The following hypothesis was formulated:

Hypothesis 3: The positive relationship of having a developed strategy with organizational performance is stronger for organizations that use employee participation forms than for organizations that do not use any form of employee participation.

As can be seen in table 4, the interaction terms of the four Employee Participation variables and Strategic Process are not significant in their relationship with Relative Performance (P > 0,065). Hypotheses 3 is therefore rejected, as there is no support for a moderating effect of Employee Participation on the relationship between the Strategic Process and Relative Performance. Still, as is concluded with regard to hypothesis 1, Strategic Process is significantly and positively related to Relative Performance. In

addition, as can be seen in Table 6, a regression analysis with Strategic Process as dependent variable shows that Direct Participation and Communication in Briefings are positively related to the Strategic Process. Therefore, this might be an indication for the existence of a mediating effect instead of a moderating effect. It can be assumed that practising Direct Participation activities and Communication in Briefings is positively related to the Strategic Process, which is in turn positively related to Relative Performance. However, other analyses must be conducted in order to confirm or reject this indication. Clearly, linear regression does not support the moderating effect of Employee Participation on the relationship between the Strategic Process and Relative Performance.

Lastly, the expectation that practising Employee Participation had a positive impact on the Strategic Process was conceptualized, resulting in the following hypothesis:
Hypothesis 4: Employee participation forms are positively related to the first two phases strategic process.

As already explained when discussing hypothesis 3, the linear regression analysis with the Strategic Process as dependent variable supports this hypothesis with regard to the Employee Participation forms Direct Participation (Beta = 0,250, P = 0,000) and Communication in Briefings (Beta = 0,235, P = 0,000). In other words, using direct participation and communication forms are positively related to the existence of developed and written strategies. Indirect Participation is with an α of 0,05 also significant, albeit negatively related to the Strategic Process and therefore not supportive to the hypothesis. The positive effect of Financial Participation on the Strategic Process is not supported by linear regression. Hypothesis 4 is therefore partially accepted. Still, the variable Strategic Process is an indication but not the full representation of the Strategic Process. Therefore, this hypothesis particularly will be researched during the qualitative part of this research.

Table 6: Results regression analysis with Strategic Process as dependent variable

	Unstandardized Coefficients		***Standardized Coefficients***
	B	**Std. Error**	**Beta**
(Constant)	0,292	0,283	
lnSize	0,301	0,037	0,200
Construction	-0,337	0,217	-0,039
Transport/Communication	-0,163	0,164	-0,026
Finance	0,054	0,178	0,008
Chemicals	0,174	0,180	0,025
Other Industries	-0,117	0,112	-0,029
Direct Participation	**0,650*** **	0,065	0,250
Communication in briefings	**0,275*** **	0,030	0,235
Indirect Participation	**-0,083***	0,037	-0,055
Financial Participation	0,030	0,026	0,029

*** p<.001, **p<.01, *p<.05

As already explained in chapter 3, a mixed-methods study is done, and the quantitative results are complemented with qualitative results. Especially regarding hypothesis 4, qualitative results will give more in-depth insights in what is happening in the relationship between Employee Participation and the Strategic Process. Nevertheless, all inter-concept relations will be investigated both qualitatively as quantitatively. This will be done in the next paragraph.

4.3 Qualitative results and analysis

A qualitative analysis based on five semi-structured interviews is done in order to ascertain data-triangulation in this thesis. In other words, five employees from different companies were interviewed while focussing on the strategic process, employee participation activities, performance and inter-concept relationships. The five chosen companies are all large companies, but are rather different in their industries (see Table 1). Even in their number of employees the case companies differ, as the smallest company has 1.100 employees and the largest company 23.000. The different kinds of firms will support a broad variety of experiences with employee participation and therefore raise the validity of the results. The interviews were recorded and completely transcribed in order to make it possible to agree on the content and to facilitate the analysis. In appendix 4, all quotes on the concepts and inter-concept relations coming from the interviews are included.

4.3.1 Discussing the main concepts

The Strategic Process

The strategic process concerns "the manner in which strategies come about", which is often separated in two phases, called strategy formulation and strategy implementation (followed by organizational performance). As discussed in chapter 2, the conventional idea of strategy as a deliberate plan and the strategic process as a set of phases following each other sequentially has been criticised for not being practical, as the environment of the organization can hardly be perfectly predictable, totally benign, or else under the full control of the organization. In addition, Mintzberg distinguishes deliberate strategies, which are the strategies realized as intended, from emergent strategies, which are "patterns or consistencies realized despite, or in the absence of, intentions" (Mintzberg & Waters, 1985, p. 257).

The most relevant main qualitative results about the strategic process are tabulated in table 7. The existence of emergent strategies and the non-ability to fully follow a deliberate plan and strict strategic process has been supported during the interviews. As it happens, several interviewees literally explain that organizations are more and more focussing on strategy as an emergent phenomenon. Too much factors in the dynamic environment of organizations, that could not be controlled or planned by organization, have an impact on the strategy. For example, Firm 1 declares that their strategy can be dependent on the choice of other companies to be available for takeovers, as they cannot plan the possibility to acquire other companies and acquisitions might involve a change in the strategy of Firm

1. This does not mean that no firm had deliberate plans. As it happens, Firm 5 makes strategic plans for every three years. Firm 1 does so too, but keeps making these plans every year (so each year the plans are not only for the following year but the next three years). Firm 4, firm 3 and firm 2 yearly have a circle in which they come to strategic plans. Still, strategy is becoming less defining and more guiding. In several organizations, the overall strategy is more normative, and in lower places in the organizations people or departments may define a more specific strategy themselves. For example, it was interesting to hear that firm 3 perceives strategy as a vehicle to obtain organizational goals. The firm sees strategy as guidelines, with which employees can set up their own (more operational) strategies, and together ultimately reach the performance-goals aimed with the guiding strategy (Firm 3).

Table 7: Quotes on The Strategic Process (relevance score 1 (highest))

Firm ID	**Quote**
Firm 1	Wij zeggen weleens tegen elkaar: strategie wordt achteraf geschreven… Uhh, dat is natuurlijk niet helemaal waar. Maar een compleet strategisch plan helemaal op papier uitwerken met stapjes, daar geloof ik ook helemaal niet in. En daarin geloof ik meer in de emergent strategie.
Firm 1	Dus je moet bereid zijn, in zeg maar dat formuleren van je strategie, uhh, de ruimte te laten voor de dagelijkse praktijk en ontwikkelingen et cetera.
Firm 2	Uhh, nou er is nu een aparte strategieafdeling. Dat is, zeker voor hier, klein. Juist om de reden dat je wel de sturing moet doen, maar je hebt businesslijnen die zelf moeten weten wat hun strategie is. Je moet wel kijken of het consistent is en dat er toegevoegde waarde komt van de ene naar de ander en dat ze niet dingen dubbel doen, et cetera
Firm 3	Uhh nou we hebben natuurlijk aparte afdelingen strategie, stafafdelingen strategie. Uhh maar dat, en dat zijn samenwerkingen tussen centraal opererende adviseurs en management en mensen uit de divisies. En vaak zit je dan wel in het management, in het senior management. Of mensen die gewoon op basis van functie bij [naam bedrijf] echt, uhh, iets in de melk te brokkelen hebben of visie hebben op missie en de strategie. En die worden daar dan bij betrokken.
Firm 3	Uhh, ja daarin vraag ik me weleens af van hoe zinnig het nog is om echt met lange strategieën te werken, en geloof ik veel meer in emergente benaderingen. Dat je de waarde van de organisatie goed kent, de cultuur goed kent, je klanten goed kent, en vervolgens gewoon vanuit de opdracht of jouw toegevoegde waarde doet wat nodig is in de context waarin je opereert. En dan is de strategie meer emergent; hij ontstaat als het ware. In plaats van dat het afwikkelen van een vooropgezet plan.
Firm 4	Bij heel veel bedrijven zie je een afdeling business development, of een business developer. Dat hebben we hier niet. Wat ik al zei hè, ik moet zelf business development doen in mijn pmc, in de ondernemende eenheden.
Firm 1	Wij zijn onder andere een bedrijf dat zich veel voortdoet uit overnames. Nou ja, ik bepaal niet wanneer een bedrijf zich te koop zet… Ik kan wel contacten onderhouden, maar er is altijd een ander die bepaald om zich te koop te zetten. En het is aan ons de keuze om te bedenken: past dat dan in onze voorgenomen strategie? Onze voorgenomen plannen, of niet? En ja, zo werkt dat bij ons ook.
Firm 5	En twee jaar geleden zijn we begonnen met een driejarige strategie, dat is dus waar we nu nog middenin zitten. […] Ons driejarenplan heeft drie pijlers en dat is ook wereldwijd herkenbaar.

Performance

The first two phases of the strategic process are often followed by a third phase that involves the evaluation of the outcome of the strategy: the performance of the organization. When looking at performance, interviewees tend to use a more multidimensional definition of firm performance. This is in line with the broad-based performance indicators used in Cranet, which include financial and non-financial indicators. As it happens, the financial and non-financial sustainability of the firm, for example with regard to education of employees, was mentioned as a performance indicator (Firm 1). In addition, no organization had exactly the same goals as another organization. For example, Firm 4 describes its ideal performance as being the best, and first-class, while firm 3 mentions that *"we defined four or give stakeholders to whom we all want to be meaningful"*. Ultimately, every organization has its own performance-goals, but finance is in the eyes of the interviewees not the only important indicator. The most relevant main qualitative results about performance are tabulated in table 8.

Table 8: Quotes on Performance (relevance score 1 (highest))

Firm ID	Quote
Firm 1	Uhh, één is uiteraard als wij onze begrotingsdoelstellingen halen. Wij hebben gewoon begrotingsdoelstellingen als het gaat om omzet en de resultaten die daarbij horen. […] Maar, het gaat altijd gepaard met: is het ook duurzaam?
Firm 3	Nou en zo hebben we een stuk of vier of vijf partijen in ons stakeholdermodel waarvan we zeggen van nou voor hun willen we allemaal van betekenis voor zijn. Dus niet alleen maar geld verdienen, hè, je wilt maatschappelijke waarde leveren, je wil van betekenis zijn voor je medewerkers, vanzelfsprekend voor je klanten, leveranciers, en noem allemaal maar op.
Firm 3	De doelen zijn natuurlijk heel belangrijk. En je strategie is een vehicle, zoals het noem, om die doelstellingen te bereiken. En kijk als de doelstellingen helder zijn, en daar kun je vanuit HR natuurlijk heel erg aan bijdragen, uhh, dan kan een emergente strategie gewoon betekenen dat gewoon een specialist, een vakman of -vrouw, op elke plek in de organisatie, moet weten wat de doelen zijn, en moet handelingsvrijheid krijgen binnen de kaders waar ik het over had. Om vervolgens de eigen strategie of richting te bepalen om bij die doelen uit te komen. En dan zijn we succesvol als we ons, uhh, als we onze doelstellingen halen. Financieel, maatschappelijk, op gebied van medewerkers en leveranciers, noem maar op.
Firm 4	En eigenlijk de kern van ons bedrijf is dat wij, wij willen een ingenieursbureau van topklasse zijn. Dus wij vinden ook dat elke medewerker eigenlijk topexpertise moet leveren. Dus wij willen echt de beste van de klas zijn.
Firm 5	Maar onze targets zijn ook niet 100% financiële targets, maar we hebben bijvoorbeeld ook gedragstargets. En dat zie je bijvoorbeeld nu ook op corporate niveau, bijvoorbeeld in de beloning van the executive board, dat er vijf KPI's zijn waarvan er drie financieel gedreven zijn en twee gedrags-gedreven. [...] Bijvoorbeeld ook hoe duurzaam we zijn.

Employee Participation

In chapter 2, employee participation is described as "the range of mechanisms used to involve the workforce in decisions at all levels of the organization, whether undertaken directly with employees or indirectly through their representatives" (Wilkinson et al., 2010, p. 9). Many forms of employee

participation practices were mentioned during the interviews. The following table 9 gives an overview of these practices mentioned during the interviews.

Table 9: Employee Participation practices mentioned during the interviews

Employee Participation Practice	**Kind of practice (financial, indirect, direct or communication)**
Profit sharing	Financial
Stock options	Financial
Bonuses	Financial
Works council	Indirect
Sounding boards	Indirect
Quarterly meetings	Communication
All-employee meetings	Communication
Periodical updates (drinks)	Communication
Electronic communication	Communication
Suggestion box	Direct
(Regular) workforce meetings	Direct
Strategy sessions with employees	Direct
Intranet polls and discussions	Direct

It was interesting to see that all firms, except firm 2, mentioned their financial participation practices first, when being asked about what kinds of employee participation activities the organization organized. Particularly the organizations which had stock options or even organized their ownership in a way that all stocks are in the hands of employees, were especially focused on this kind of employee participation. Especially at firm 1 and firm 4 a sense of pride about the way they organized financial participation via stocks was noticeable during the interviews, probably because it is not a common participation form in the Netherlands. The second practice which was mentioned the most during the interviews was the works council. However, the input and voice of works councils differed, also with regard to their say in strategic decisions. In addition, not every employee uses the possibility to participate. For example, regarding stock options, firm 1 explains *"I do not have the illusion that all employees feel themselves a shareholder of this company. They just see this as a nice extra."*. During the interviews it turned out that generally the goal of practising employee participation in organizations is to increase the engagement of the employee – stimulating a sense of ownership and pride in employees. Remarkably, not every employee participation practice was meant to involve the workforce in decisions at strategic level of the organization. This relationship between employee participation and the strategic process, next to other inter-concept relations, is discussed in the next paragraph.

4.3.2 Inter-concept relations and hypotheses

This paragraph includes the discussion of the inter-concept relations and a qualitative elaboration on the hypotheses.

The Strategic Process and Performance

As was conceptualized in hypothesis 1, having a developed strategy can be positively related to organizational performance. Whereas this relation is already calculated and supported quantitatively, this qualitative paragraph is based on quotes that are most relevant in terms of how (and if) interviewees experience the expected relationship. The results shown in table 10 shed some light on the acknowledgement of the relation between having a developed strategy and organizational performance. As this was not the focus of this research, this relationship is not discussed in-depth.

During the interviews it turned out that firms perceive the relationship between developing a strategy and seeing consequences in the performance as a logical relationship. Firm 1 gives some examples of how a targeted strategy solved their turnover-problem. *"When I just started here, we had a major sales problem in the summer. We supplied a lot in cities and universities, but you can imagine that those places were less profitable in the summer. However, we then consciously chose to look at another customer segmentation who could fill in that off-season. We then deliberately went looking for companies that mainly supplied seasonal catering on the beaches."* (Firm 1). In addition, firm 5 also acknowledges that with carrying out certain (new) strategies and business models, the financial performance of the organization has become better. *"Well, you can see that we are transforming. You can see that for example when looking at the different business models we use. We are now doing several activities that we did not do a few years ago. We are thinking about other revenue models as well. [...] And those are really ... new ways of making money that we didn't have a few years ago. And this has effect, yes."*

Table 10: Quotes on the relationship between The Strategic Process and Performance (relevance score 1 (highest))

Firm ID	Quote
Firm 1	Bijvoorbeeld door klantensegmentaties toe te gaan passen. Uhh, in het hele verre verleden en dan praat ik over toen ik hier net kwam, toen hadden we in de zomer een groot omzetprobleem. Omdat wij veel beleverden in steden en universiteiten, en weet ik nog wat allemaal meer, en je kunt je voorstellen dat daar in de zomer minder is. Voor de steden is het tegenwoordig wel wat anders… Maar, wij hebben toen heel bewust gekozen om te kijken van goh is er dan een seizoenspiek te vinden in een klantsegmentatie die dat op gaat vangen. En dat is er, dat is namelijk seizoenshoreca, hè aan de stranden. Wij zijn toen heel bewust op zoek gegaan naar bedrijven die vooral aan die seizoenshoreca leverden om die over te nemen. Dat hebben we ook gedaan.
Firm 5	Hè, dus je ziet dat we transformeren. Je ziet dat ook aan, uhh, toch andersoortige businessmodellen. We doen nu een aantal werkzaamheden die we een aantal jaren geleden niet deden. En dat we aan het nadenken zijn over andere verdienmodellen. [...] En dat zijn echt wel… nieuwe vormen van geld verdienen die we een aantal jaar geleden ook nog niet hadden. En die werken wel, ja. Ja.

Employee participation and the Strategic Process

In hypothesis 4, it was conceptualized that practising employee participation activities can be positively related to the strategic process. This relation was already calculated and partly supported quantitatively, as direct participation and communication in briefings had a significant positive impact on the strategic process. Based on theory, it could be assumed that this impact is based on the diminishing of information

asymmetry, the ability of employees to correct and prevent opportunistic management behaviour, and ultimately that the strategic process becomes more decision effective. This qualitative paragraph is based on quotes that are most relevant in terms of how (and if) interviewees experience the expected relationship. The results shown in table 11 show quotes on the relation between employee participation and the strategic process.

First it must be mentioned that several firms did not share the idea that strategy must be made by the employees, but found it necessary that one (smaller) group of strategists or partners were the ones that formulated the strategy and were busy with strategic decisions. One interviewee describes a strategic process happening bottom-up as complete nonsense, something that should not be aimed for or tried (Firm 2). This does not mean that these strategies have to be formulated from within the strategists' ivory tower in the top of the organization; all interviewees declare that listening to the ideas of employees is an important and not to be neglected source of strategies. For example, Firm 1 tells that *"our strategy is determined centrally. However, information is retrieved on a decentralized basis. So, the information is being picked up as broad as possible in the organization."*. In other words, interviewees confirm that not every employee participation practice leads to direct involvement and decision-making rights in strategic issues. Still, distributing information and creating support for strategic decisions can be done via employee participation too. Firm 4, for example, describes very clear that *"If you have 1100 employees in the organization, you have to be very accurate with balancing off important things and involve your employees. Otherwise, you will get a lot of resistance. Often, this means that before we make a strategic decision, we already sensed what the employees think of it."* (Firm 4). Here, the diminishing of information-asymmetry becomes thus very clear. Interviewees declare that they gather and share information in the organization, via employee participation practices, in order to formulate strategies that come from and are supported within the organization and can be implemented successfully.

Regarding the possible ability of employees to correct and prevent incorrect ideas of management, firms differed in opinions. For example, Firm 3 declares *"Yes of course, in my opinion, the role of managers is to invite employees and stimulate them to come with new ideas. And we organize all sorts of sessions, like evaluation sessions, in which we constantly ask ourselves what went well, what could be better, and how we can improve it. And the employees have an active role in this"*. In order to create the possibility for this effect, Firm 3 does think that organizations need to have an open culture and healthy employment relationships. *"Of course, there are different kinds of positions. So sometimes, there are employees who don't have the courage [to share their ideas with management]"*. Firm 1 and firm 2, however, did not see the possibility that ideas coming up from a higher level in the organization are contradicted or supplemented by employees who can or want to have their influence through employee participation. Firm 4 has the opinion that employees must be involved from the beginning of

the process, in order to prevent incorrect ideas of management. By doing that, opportunistic management behaviour becomes less likely in the first place.

The interview with firm 5 made it clear that there is a great distinction between different forms of employee participation and their impact in different organizations. As it happens, like firm 1, firm 2 and firm 4, this firm practiced financial participation via stock options for employees. Their so-called 'global share plan', however, did not have the desired effects on employees anymore, and employees did not even show up at the shareholders meeting. *"In the past, when we started with the share plan, people had the idea that they had impact on it [the organizational strategy]"*. However, nowadays the organization sees two reasons for their financial participation activity to not deliver the desired outcome. Firstly, the firm is confronted with a number of issues worldwide, that make it impossible to roll out the share plan globally. For example, because of tax-regulations or national legislations it is in several countries not even possible offer stock options. Secondly, nowadays the new, often younger, employees are reluctant to this possibility. The firm sees several possible reasons for this: *"On the one hand, the share price has not been very stable or progressive in recent years. It has been, well, a bit of the worst-case scenario at the stock exchange for a while. So well, if you were a participant, I think it would have been a good time to get in, but it wasn't a moment to really make money if you did it purely for the money. On the other hand, this is also a consequence of rejuvenation. Young employees do not opt for this kind of participation."*. Because this form of employee participation is not desired anymore, firm 5 chooses to invest in other kinds of programmes to stimulate the sense of ownership within employees and to gather input for their strategic decisions. They now focus more on direct participation practices, like strategic sessions and programmes in which employees are stimulated to think and learn about upcoming topics like digitalization. By doing this, firm 5 believes that the effect on the strategy and results of the organization becomes better than with their global shared plan. In short, their example shows that every form of participation practice is different in every organization. Nevertheless, when especially looking at financial participation, firms have the opinion that with this practice the voice of employees is often not raised when it comes to strategic decisions. In other words, employees can become owners of the company, and this has effects (see the next paragraph), but this does not specifically create a sense of ownership which stimulates the involvement in strategy itself. For example, firm 2 also has stock options for its employees. However, employees with stocks have no say in strategic decisions just because they have stocks; they are not allowed to come to the shareholders meeting. Firm 1 adds that the effect of financial participation is not that employees have to make strategic decisions themselves, but that the management who makes the decisions always keeps in mind that they have to be accountable to their shareholders, which are their own employees, and therefore are more thoughtful.

With regard to works councils, firms have the idea that these do not have an impact in the formulation phase of the strategy. *"Well, with regard to the personnel policy they have more influence. But a works council has nothing to do with the direction to which the company must go to,"* (Firm 2).

Firm 4 has a similar idea, and declares that *"the business looks at work-related things, and the way the market is organizing itself, and is related to the content of our work. The works council is particularly watching along when it comes to terms of employment".* However, the works councils also pass on information about the formulated strategy to employees, which is useful in the implementation phase. When it truly boils down to the effect of the diminished information-asymmetry and the possible ability of employees to correct and prevent incorrect ideas of management, direct participation seems the most effective employee participation practice. By practising direct participation, employees in the work field can share their ideas and deliver input for strategic decisions.

Ultimately, all firms have the idea that in general employee participation could lead to better decision making in the strategic process, especially because the decision makers are better informed when they have to make strategic decisions. For example, firm 3 thinks that the decision making process could be accelerated, because *"I believe that, in this organization, we have the right mechanisms and tools that at the moment a strategic decision has to be made, the decision makers are very well informed of what the opinion of the organization is".* Employee participation practices do not imply that employees literally take the strategic decisions, but it means that employees are able to deliver the necessary information that is needed to make the strategies successful(ly implemented). Still, although employee participation is practiced, it still happens that employees may not have the courage to address their views to the management, or that employees do not use the opportunity to participate. Nevertheless, employee participation leads to support for strategic decisions, which is in the implementation phase a necessary element. Apparently, employee participation is also regularly used to inform and communicate to people – and to get them along at the start of new (strategic) ideas. Hypothesis 4, which stated that employee participation forms are positively related to the first two phases strategic process, can therefore be qualitatively accepted.

Table 11: Quotes on the relationship between employee participation and the strategic process (relevance score 1 (highest))

Firm ID	**Quote**
Firm 1	Retail-organisaties zoals wij en food-service bedrijven, die kenmerken zich, zoals ik dat altijd noem, als een grote platte pannenkoek met een klein puistje erop. Dus een hele grote groep die dagdagelijks werk aan het doen is. Heel belangrijk werk, ook. En er is maar een kleine strategische en tactische top die erop zit. En dat is ook goed, zo hoort dat ook… ja… Als je heel de massa mee laat denken dan wordt het een heel ingewikkeld proces, kan ik je vertellen…
Firm 1	Je resultaten, [...] daarover leg je verantwoording af aan je aandeelhouders, maar daarmee ook aan je medewerkers. Ik bedoel, [...] een ondernemingsraad stelt daar vragen over.[...] Uhh en dat betekent dus dat wij impliciet van tevoren al bedenken dat wij daar dus verantwoording over zullen af moeten gaan leggen.
Firm 2	Nou als jij in een specifiek onderwerp toevallig deskundig bent dan wordt je betrokken. Maar dan gaat dat getrapt. Uhh, de strategieafdeling verzint maar een heel beperkt gedeelte zelf. Hè, die moeten vooral sturen en als de een dit zegt en de ander dat, dat kan niet. En hoe krijg je dat dan bij elkaar gevoegd. Je hoeft niet alle antwoorden te weten.

Firm ID	Quote
Firm 2	Managers hoeven nooit te antwoorden te weten. Die moeten weten hoe ze achter de antwoorden komen.
Firm 3	Wij hopen dat wij een cultuur hebben dat als mensen goede ideeën hebben bij wijze van spreken zo bij de raad van bestuur binnen kunnen lopen en dat te uiten. Maar we hebben dus niet georganiseerde large group interventions om weet ik veel, de callcenter medewerkers mee te laten denken over de organisatiestrategie.
Firm 3	Ja want wij proberen gelijke arbeidsverhoudingen te hebben, dus dat niet de hiërarchie in de weg zit, maar dat er echt op ooghoogte met elkaar wordt gesproken. Uhh, het is natuurlijk wel zo dat die posities van elkaar verschillend zijn, hè. Uhh, dus soms is er nog wel sprake van dat medewerkers dat misschien niet of onvoldoende durven.
Firm 3	Nu zeggen wij echt 'wie het weet mag het zeggen, en wie het kan mag het doen', ongeacht je positie. Het gaat om je klantprestatie leveren, en als iemand denkt dat hij weet hoe het moet, of die het kan, ga je gang. Daar nodigen wij mensen toe uit. En dan mag er geen hiërarchie in de weg zitten om iets niet te doen. [...] Maar ik denk dat de meeste mensen, uhh, ja die opereren natuurlijk in hun eigen context en leveren op dat niveau hun bijdrage
Firm 3	Medewerkersparticipatie leidt tot betere besluitvorming, laat ik het zo stellen. […] Ik denk dat, uhh, wij in deze organisatie mechanismen en middelen hebben dat op het moment dat er besluiten moeten worden genomen, de besluitvormers goed op de hoogte zijn van wat zeg maar het gevoel in de organisatie is.
Firm 4	Als je met 1100 mensen aan de voorkant niet zorgvuldig het proces doorloopt, ja dan ondervindt je weerstand. [...] als je 1100 mensen in dienst hebt dan moet je van tevoren zorgvuldig dingen afwegen en mensen meenemen. Want anders loop je tegen een enorme hoeveelheid weerstand aan. Dat betekent in veel gevallen ook dat voordat we echt beslissen, ja dan hebben we toch al afgetast binnen sectoren, vier mensen, of binnen de pmc's, hoe iets landt. En de ondernemingsraad heeft daar ook wel een belangrijke stempel in hè.
Firm 2	Ja en het helpt ook om te laten zien, we… we proberen wel te luisteren. Hè dus het is bereidheid om te luisteren [..] En dat komt aan, ja. Hè dus het is niet heel moeilijk om toegang te krijgen tot bazen.[...]. Dus, waarschijnlijk, uhh, Ik heb het idee dat medewerkers wel hun ideeën kwijt kunnen aan het management en de mensen die erover kunnen beslissen. Maar doen ze het altijd? Nee. En leidt het dus altijd tot grote tevredenheid? Ook nee. Maar uhh, het mogelijk maken dat ernaar geluisterd kan worden, dat werkt denk ik wel heel positief.
Firm 1	Wij zijn wel een redelijk centraal geleide organisatie. Dus wij bepalen strategie centraal. Maar wij horen graag decentraal. Dus de informatie halen we zo breed mogelijk in de organisatie op.
Firm 2	Maar het uitzetten van het pad is dus niet democratisch. […] Dus strategie van onderop, is in mijn ogen volslagen lariekoek. Moet je dus nooit proberen.
Firm 3	Ja, natuurlijk. Ja. Ja. Ja die leidinggevenden zijn eigenlijk… Ik zie het ook als een rol van leidinggevenden dat zij medewerkers uitnodigen en stimuleren om met vernieuwing te komen. Zoiets als continu verbeteren, dus ook met die lean-visies, dat is uhh dat behoort tot onze cultuur. Hè, dus uhh, we hebben allerhande sessies, zoals keek-op-de-week, evaluatiesessies, waarbij we uhh, ja voortdurend ons afvragen van wat ging goed, wat kan beter, en hoe kunnen we het verbeteren? En daar worden medewerkers actief, uhh, hebben daar een actieve rol in.
Firm 5	Ik denk ook persoonlijk dat mensen het idee hebben dat ze meer invloed hebben op de strategie van [naam bedrijf], door programma's zeg maar binnen [naam bedrijf] Nederland. Want dat is toch wat ze meer raakt dan echt de global strategie.
Firm 5	Dus ik denk zelf dat, nou, de keuze die wij ook als directieteam Nederland hebben gemaakt om onze mensen gewoon actief te betrekken in onze strategie op de inhoudelijke manier. En echt een appel doen op hun kennis en hun werk en hun

Firm ID	Quote
	toekomst, continuïteit en lol in je eigen baan. Dat dat belangrijker is dan, ja een aandeel waar je in the end heel weinig aan hebt.
Firm 1	Je ziet van oorsprong een hele warme cultuur zou ik willen zeggen, en een betrokkenheidscultuur, meer dan banken of verzekeraars of iets dergelijk. Dus dat was er eerst, en dat leidt al tot die betrokkenheid van je medewerkers en de behoefte om met je medewerkers in gesprek te gaan. Dus daar komt die vandaan. En daarmee is die participatie een afgeleide geworden. Maar dit helpt wel om dat in stand te houden.

Employee Participation and Performance

In hypothesis 2, it was conceptualized that practising employee participation activities can be positively related to organizational performance as well. This relation was already calculated and partly supported quantitatively, as direct- and financial participation had a significant positive impact on organizational performance. The reason for this positive relationship could be explained by the ownership-, motivational-, and commitment-effect described by Nieuwland-Jansen (2015). This qualitative paragraph is based on quotes that are most relevant in terms of how (and if) interviewees experience the expected relationship. The results shown in table 12 show quotes on the relation between employee participation and the strategic process.

The following effects are mentioned by firms with regard to employee participation and its relationship with organizational performance:

- Employee participation leads to a sense of ownership;
- Employee participation leads to a feeling as if the money of the organization is the money of the employee itself;
- Employee participation leads to more cost-awareness;
- Employee participation leads to a sense of pride to be an employee of the organization;
- Employee participation leads to result-oriented employees;
- Employee participation leads to commitment;
- Employee participation leads to a better balance between risks and entrepreneurship.

According to the firms spoken in the interviews, these effects all lead to better performance. For example, firm 1 explains that with employee participation *"you create a sense of belonging. You are part of a whole, and the whole is part of you. That is the feeling you create. And because of that, employees are going to behave in a certain way. That's not just something you plan for, it is just a result [of employee participation]".* Firm 2 sees the significant relationship in the fact that employees have more knowledge about strategic plans and ideas. *"Only the fact that you involve people, make them enthusiastic, make sure that they understand it, has of course the effect on results"* (Firm 2). For firm 3, employee participation leads to better ideas to improve the organization, and ultimately a better organization. *"I believe that everyone wants to contribute, and the people who are in the area of*

activities usually know how this can be done. However, often these people feel themselves impeded by all kinds of rules or procedures or something that makes them unable to make decisions because the manager has to, for example. Well, that is not applicable to our organization anymore. Who knows it, may say it, and who can do it, may do it.". Firm 4 adds an interesting effect of employee participation, which has not been discussed earlier, namely that of the balance between entrepreneurship and risks. *"On the one hand, you want everyone to be entrepreneurial. On the other hand, we want to limit our risks. […] Well, everyone should feel him- or herself owner of the organization and should be committed, and has to understand how the system works financially. And ultimately, find a well-considered balance between entrepreneurship and risks.".* This consideration is better because of employee participation, as this makes employees proud when the organization is successful and employees see the money of the organization as their own money. Abovementioned statements are related to the ownership- and commitment-effects of Nieuwland-Jansen (2015). Firm 5 also sees the effect especially in the sense of ownership, but acknowledges that this effect is not only a consequence of financial participation (so literally being owner). *"Well, I think employees have a sense of ownership. And not ownership in the sense of having 0,0001 percent of the shares of the company, but ownership for where we are heading, and how people can fill in the organization's mission in their daily jobs".* The specific implementation of the stock option practice in the organization can be the reason that firm 5 sees no positive effect of stock options, while especially firm 1 and firm 4 are very convinced about the positive effect of this practice. For example, all stocks of firm 4 are fully in hands of employees, while firm 5 only sells stocks with a discount to employees who are interested. Within firm 2, the possibility to receive employee stocks is dependent on the level of the employees in the firm. Here, the financial participation practice was also less underlined during the interviews. Regardless, these ownership-effect does not only belong to financial participation but can be stimulated with direct participation forms.

Moreover, some but not all firms are familiar with the motivational effect coming with other forms that financial participation. Firm 5 states that employees might be extra motivated individually because of their financial extra's coming with financial participation. *"Well I think the effect is firstly due to involving people. It starts with awareness of what the ultimate goal is, and how people can help in improving our total performance. Because they profit themselves. So, […] in that sense, people can financially improve as well.".*

Nevertheless, it was interesting to see that firm 4 saw one possible negative effect of employee participation on organizational performance, coming with a sense of ownership. *"Well, I think maybe we are not so good at innovating, because feeling ownership comes with a feeling of caution, as every cost you make have to be paid back in what way possible".* This should be kept in mind as a drawback of feeling a sense of ownership. For firm 4, it was not a drawback that does not outweigh the benefits. Firm 5 sees this as a benefit: by informing people and involve them in awareness programmes, their number of loss-making projects decreases.

When it comes to different forms of employee participation, financial participation and direct participation were a very crucial practice in this phase. Many of the abovementioned effects are particularly related to stock options or the direct gathering of ideas from employees in the work field. As firm 2 declares, financial participation does not lead to a greater say in the first two phases of the strategic process, "*…but I do know that it leads to interest of how the company is performing.*" (Firm 2). Moreover, as discussed regarding stock options, not every participation form is the same in every company. Ultimately, it is qualitatively confirmed that there exists a positive relation between employee participation and organizational performance (hypothesis 2).

Table 12: Quotes on the relationship between employee participation and the organizational performance (relevance score 1 (highest))

Firm ID	**Quote**
Firm 1	Wat je creëert bij die groep mensen is een gevoel van erbij horen. Je bent een onderdeel van het geheel en het is ook van mij. Dat creëer je. En op grond daarvan gaan ze bepaald gedrag vertonen. Maar dat is niet erg gepland. Dat is gewoon een resultaat van.
Firm 1	Ik denk wel dat in de algemeenheid er een groter bewustzijn is bij een grotere groep mensen over kostenbewustzijn, resultaatgerichtheid, en dat soort dingen. Omdat dat toch ook direct effect heeft, zeg maar ook op je beloning. […] Het wordt wat meer van jezelf. En iets wat van jezelf is, daar ben je meestal ietsje zuiniger op.
Firm 2	Maar het feit dat je mensen er al dan bij betrekt, enthousiast maakt, dat ze het begrijpen, et cetera, heeft natuurlijk gewoon het effect op resultaten. Hè dus… Het gaat om de kennis!
Firm 3	de opzet is van uhh dat dat natuurlijk tot een verbeterd bedrijfsresultaat leidt ja. Dus als een, uhh, een werknemer met een verbeteridee komt, waar een leidinggevende gewoon te ver van af heeft gestaan om dat te zien. Nou dan kan je maar beter zorgen dat je dat aftapt en dan je die suggestie, dat je die uitvoert.
Firm 3	Ik denk dat iedereen graag een bijdrage wil leveren, en de mensen die in het werkveld zijn, die weten vaak het beste hoe dat kan. En, maar die voelen zich vaak tegengewerkt door allerlei regels of procedures of weet ik veel, dat ze geen besluiten mogen nemen omdat er geen manager voor hun naam stond bij wijze van spreken. Nou, dat is er bij ons wel af. Wie het weet mag het zeggen en wie het kan mag het doen.
Firm 4	Wij als bedrijf geloven er heilig in dat werknemersparticipatie bijdraagt aan lange termijn doelstellingen en betrokkenheid.
Firm 4	Maar ja, ik denk in de kern, dat medewerkersparticipatie helpt om vanuit het gezamenlijke resultaat aan het eind ook die trots te voelen.
Firm 4	Dus in die zin zijn wij de spagaat tussen, uhh, werknemersparticipatie versus die strategie, als het gaat om ondernemerschap en risico. Dat is een hele moeilijke. Want je wil dat iedereen ondernemer is, maar we willen wel een beperkt risico lopen.[...] Als het goed is iedereen op die manier een klein beetje eigenaar en zou zich betrokken moeten voelen, moeten snappen hoe het systeem financieel werkt en aan de andere kant, ja uhh, ondernemen en risico's, die afweging goed moet kunnen maken.
Firm 4	Ik denk in veel gevallen dat dat ook een belangrijke toets steeds is. Wat zou je als persoon, als individu, zelf doen. Als het jouw portemonnee was. Dus je hebt een portemonnee van 130 miljoen omzet…. […] Mensen zien het als hun eigen portemonnee.
Firm 4	Nou, misschien zijn we wel niet zo goed in innoveren, omdat dat eigenaarschap iets in zich heeft van pas op, kosten die je maakt moet je in welke vorm dan ook terugverdienen.

Firm ID	Quote
Firm 3	Nou, ik hoop dat dat is dat een medewerker zich serieus genomen voelt. En dat hoeft niet te betekenen dat altijd hij of zij op zijn wenken wordt bediend, maar dat er wel naar geluisterd wordt en dat er iets met het idee wordt gedaan. En dat heeft een motiverend effect.
Firm 4	Ik denk dat werknemersparticipatie enorm helpt bij het creëren van draagvlak over waarom je samen bestaat. Dus de richting die je opgaat, dat doe je omdat je allemaal onderdeel bent van dit bedrijf. Dus het is niet, lullig gezegd, dat de directie besluit dat jij een bepaald project gaat doen. Nee! Op de een of andere manier hebben we samen, met inzicht van invulling en kennis, dit project gewonnen en gaan we het als bedrijf samen doen. Dus draagvlak en commitment, die worden volgens mij heel erg gevoed door de participatie. De betrokkenheid die je zelf hebt: het is onderdeel van mij. Ik ben eigenaar van dit bedrijf dus alles wat ik doe komt mij ten goede, maar ook 80% van de anderen. Dat is denk ik heel belangrijk.
Firm 5	Nee dus ik denk dat het heel erg het meenemen is. Het begint met awareness en mensen bewust maken van oké dit is onze belangrijke stip op de horizon, dit zijn voor ons belangrijke dingen en op deze manier kunnen we onze totale performance verbeteren en daar kun jij dus ook van mee profiteren. Hè, dus dat zijn… en daar hè, en zeker zo'n performance gerichte afspraak, die kun je maken en dan kunnen mensen ook in die zin er financieel op vooruit gaan.

During the interviews it was hard to measure hypothesis 3, as every organization interviewed practiced employee participation. I therefore do not elaborate on this hypothesis qualitatively.

4.3.3 Other important findings during the interviews

One important to mention, recurrent subject in the interviews, was organizational culture. Interviewees often saw employee participation practices as derivative of their special culture of the organization. One summarizing quote is mentioned by firm 1, which explains that *"first there was a kind of company with a kind of culture. We are a kind of family business in which you see that employees are much better uhh, well almost part of the family I would almost say. Uhh, and if you look at our culture, you will originally see a very warm culture, and a culture of involvement, more than banks or insurance companies or something like that. So, our warm culture came first, and that already leads to the involvement of your employees and the need and willingness to talk to your employees. And with that, participation has become a derivative.".*

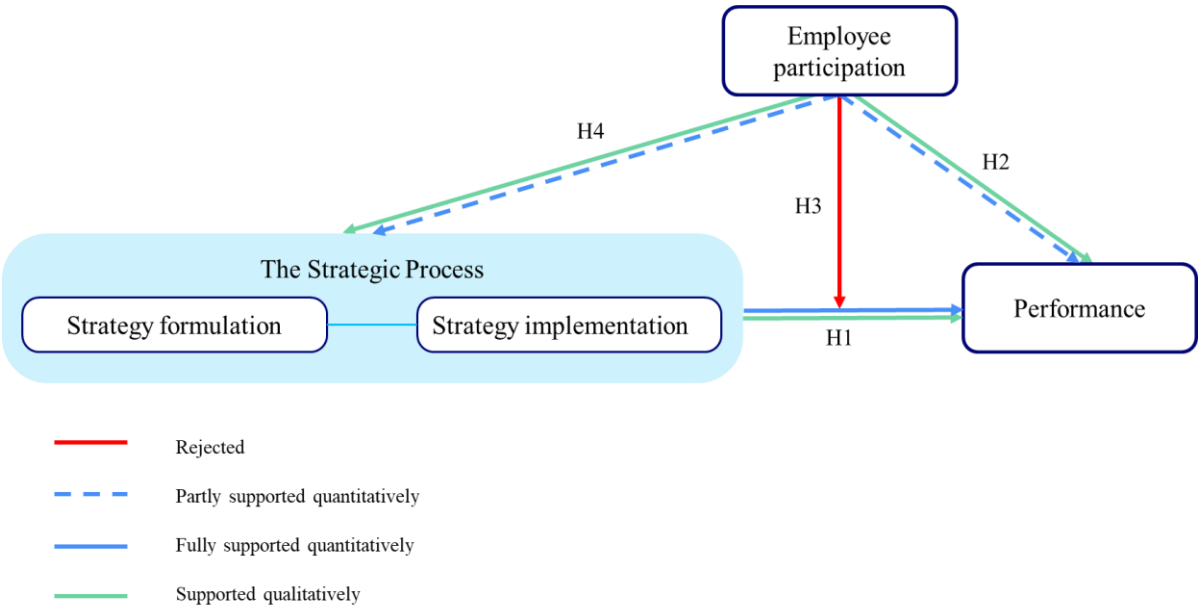
4.4 Summary of the results

The following table 13 summarizes the results of the analyses. In figure 2 the results are visualised in the conceptual model.

Table 13: Summarizing table of the results

Assumption	**Quantitatively supported**	**Qualitatively Supported**	**Explanation**
Hypothesis 1: Having a developed strategy is positively related to organizational performance.	Yes	Yes	Both qualitatively and quantitatively accepted
Hypothesis 2: Employee participation is positively related to organizational performance.	Partly	Partly	Financial- and direct participation are positively related to performance
Hypothesis 3: The positive relationship of having a developed strategy with organizational performance is stronger for organizations that use employee participation forms than for organizations that do not use any form of employee participation.	No	Not researched qualitatively	Quantitatively rejected
Hypothesis 4: Employee participation forms are positively related to the first two phases strategic process.	Partly	Partly	Communication in briefings and direct participation are positively related to the strategic process

Figure 2:Conceptual Model as tested and validated



5. Conclusion and discussion

5.1 Introduction

This final discussion will consist of four different parts. Firstly, the research question as formulated in chapter 1 will be answered by summarizing both the conceptual as well as the empirical results of the research. In the second part, it will be explicated how academic theory can profit from the insights of this thesis. Thirdly, a number of practical implications and recommendations are provided. Consequently, the final part of this chapter will be aimed at reflecting on and discussing the process, the choices made, and the limitations of the research as a whole.

5.2 Summary

The goal of this research was to answer the following research question:

To what extent and how is employee participation related to the phases of the strategic process?

With this goal and corresponding research question in mind, a literature study was conducted and the main concepts of this research were defined and operationalized. The Cranet database of 2015 provided usable data in order to conduct a quantitative analysis. Moreover, five interviews were conducted and transcribed. After this, the interview results were theoretically coded in order to get grip on the large number of quotes mentioned by interviewees. Interviews were especially done to explore the relationship between employee participation and the first two phases of the strategic process, but also to interpret all other quantitatively tested inter-concept relationships.

A few major conceptual insights were found in literature. Firstly, it has been motivated that often the process in which strategies come about, the strategic process, is separated into two phases: the strategy formulation phase and strategy implementation phase. In this research, this process has been extended with a third outcome-phase, namely performance. In addition, it has been found that there are plenty of activities to organize employee participation. These activities can be subdivided into four forms of employee participation, namely: communication in briefings, direct participation, indirect participation and financial participation. It has been found that the research of Nieuwland-Jansen (2015) describes three general effects of financial participation forms on the behaviour of employees, found in literature: the motivation-, commitment-, and ownership-effect. The work of Carmeli et al. (2009) and Wigboldes et al. (2008) have contributed a lot by giving any direction in the specific effects from practising employee participation on the strategic process. Nevertheless, literature on the specific research question has been found to be scarce. Therefore, the results of this research are essential in contributing to more theoretical knowledge on the organizational-level impact of employee participation.

Quantitative results turn out that having a developed strategy is positively related to organizational performance. In other words, the third phase of the strategic process is positively related to the first and second phase, namely formulating and implementing strategies within the organization. This is qualitatively supported as well; firms consider the relationship between developing a strategy and seeing positive consequences in the performance as a logical relationship. More interesting is the relationship between practising employee participation activities and organizational performance. Nieuwland-Jansen (2015) describes three kinds of effects coming from financial participation: the motivational-, ownership- and commitment effect. Although it was expected that the ownership-effect would only be related to financial participation, the qualitative research shows that firms perceive the ownership-effect as a derivative from direct participation forms as well. The ownership-effect was one of the recurrent effects mentioned by firms; it is expected that employees feel more like being co-owner of the organization and becoming more result-oriented when they participate (in the strategic process). The commitment-effect was expected to relate to more kinds of employee participation, and the qualitative interviews confirmed this expectation. Interviews show that employees are more active in following the performance of the company and becoming more cost aware. In addition, some but not all firms seem familiar with the motivational effect coming along with other forms than financial participation. One firm did indicate that employees might be extra motivated individually because of the financial extras coming along with financial participation. Quantitative research results are in line with the results of the interviews and show that financial- and direct employee participation practices are significantly related to organizational performance. Nevertheless, firm 5 shows that their financial participation practice has not been successful, due to other circumstances in the organization. The way an (financial) employee practice is implemented in the organization therefore turns out to have an impact on whether a positive effect on the sense of ownership within employees is achieved. In addition, only communicating about the organization's strategy and financial performance (so without participation) seems not enough, as its relationship with organizational performance is not significant. The effect of a works council on organizational performance is quite remarkable, as there is a negative relationship between having a works council and organizational performance. Interviews clarify that works councils are especially involved in decisions concerning terms of employment or personnel policies.

The relationship between employee participation and the (first two phases of the) strategic process is quite underexplored in theory. Therefore, this research especially focused qualitatively on the question if this relationship exists and if so, how this relationship subsists. Nevertheless, the Cranet database provided the opportunity to quantitatively investigate whether different forms of employee participation had a positive relationship on having developed strategies. This assumption is partly supported quantitatively, as direct participation and communication in briefings had a significant positive impact on having developed strategies. However, having a developed strategy is an indication of having undergone the strategic process, but does not fully represent the strategic process. Therefore, the qualitative interviews largely focused on this relationship. Theory indicated that the significant

positive impact could be based on the diminishing of information asymmetry, the ability of employees to correct and prevent opportunistic management behaviour, and ultimately that the strategic process becomes more decision effective. The reduction of information asymmetry is mentioned in every interview. Firms consider employees as the ones who have the knowledge about what must be done. Employee participation practices do not literally imply that employees take the strategic decisions, but they do mean that employees are able to deliver the necessary information that is needed to make the strategies successful(ly implemented). Still, although employee participation is practiced, it still happens that employees may not have the courage to address their views to the management, or that employees do not use the opportunity to participate. Nevertheless, employee participation leads to support for strategic decisions, which is a necessary element in the implementation phase. Apparently, employee participation is especially used to inform and communicate to people, and to get them on the same page at the start of new (strategic) ideas. This is in line with the significant relationships between direct participation and communication in briefings and the strategic process during the quantitative analysis. Financial participation turns out not to be significantly related with having a developed strategy or not. During the interviews, it also turned out that the effects of financial participation are stronger regarding the last phase of the strategic process, the organizational performance, than in the formulation and implementation phase.

It was theoretically argued that using communication in briefings and other forms of employee participation could act as a moderating variable on the relationship between the first two phases of the strategic process and organizational performance as a third phase of the process. As it happens, it was argued that in order to make a strategy successful (and get positive results), employees should be informed about and/or involved with what happens in the strategic process. This was argued because insufficient information and participation in the strategic process might leave employees vulnerable to moral hazard and lead to conflict with management, which in turn can lead to lower performances by employees. As this was not the focus of the qualitative interviews, this assumption is only tested quantitatively. Quantitative analysis lead to the conclusion that the moderating effect of employee participation on the relationship between having developed strategies and organizational performance is not significant. This research therefore contradicts the expectations based on literature.

5.3 Theoretical implications

This research has extended the work of Poutsma and Ligthart (2017), as it has given explanations for relationships found in their research regarding employee participation practices and organizational performance. As it happens, it has given qualitative clarifications on the effects of employee participation, not only on performance but also on what is coming previous to performance, namely the strategy formulation and implementation. In addition, this research also contributed to SHRM literature, by elaborating on employee participation practices (HR practices) and their link with strategic

management. This research supports the insights of Mintzberg (1987; 1994), as firms have confirmed that nowadays a fully deliberate strategy is not executable anymore. It further supports Mintzberg's insights since this research concludes that employee participation practices are used as useful means to create a more open and integrative form of strategy making. Still, it is interesting to see that not every form of employee participation has a positive influence on either the strategic process or on organizational performance, although this was expected based on literature. In addition, the employee participation forms that have a positive relationship with the strategic process, are not exactly the same as the employee participation forms that have a positive relationship with organizational performance. As it happens, direct participation and communication in briefings are positively related to the strategic process, whereas financial participation and (again) direct participation are positively related to organizational performance. So, for example briefing employees about the organization's strategy may help in the strategic process, but is not an important factor related to performance. Future research on the differences between various employee participation forms and their impact is therefore recommended. Moreover, works councils were found to be negatively related to both the first two phases of the strategic process and performance. This might be explained by the more structural embeddedness of works councils in the organization focussing on HR-themes, and a possible impact of trade unions (as an external form of employee participation) on the choice for particular, low-risk strategies, also with regard to employee participation. These possible explanations, however, are speculations that should be investigated in further research.

5.4 Practical implications

As every organization has the desire to successfully formulate and implemented strategies and to achieve the highest possible performance, this research creates awareness and knowledge about the benefits of employee participation with regard to these strategies. More specifically: based on this research, organizations are recommended to be aware of the useful contribution of employee participation in the strategic process. Employee participation creates involvement and the feeling of ownership within employees. Moreover, this research gives decision makers in organizations insights into how employee participation works in practice and which forms of employee participation have an influence on the different phases in the strategic process. In short, a practical conclusion of this research is that the mere communication about the followed company strategy to your employees is not enough, even if this is provided via employee participation practices. Firms should think about using various forms of employee participation in order to have a broad and positive impact in the strategic process. As it happens, not only financial participation practices contribute to a sense of ownership. The sense of ownership is also achieved through direct participation. Direct participation practices, like strategy sessions and digital polls, are effective with regard to having better strategy formulation and implementation phases, and an overall better performance. Financial participation is especially related

to the performance of the organizations, but results show that there are also some drawbacks that come with this practice. This means that for example not every stock option practice is the same, and does not have the same impact. Using financial participation forms like stock options therefore must be adapted to the knowledge and interests of the employees of the organization. After all, the form in which employee participation is organized can also account for the involvement of employees that is ultimately achieved.

5.5 Limitations and reflection

This research has a strong reliability and validity, as it is based on a qualitative multiple case study and quantitative data. Still, although a multiple mini-case study is more reliable than a one case study, results could have been more generalizable when more cases were used and more interviews were done in one organization (Yin, 2009). Further research should therefore include more cases to ensure that the outcomes of the research entirely represent the larger population from which the qualitative sample was selected. When doing this, organizations that do not or limitedly practice employee participation could be interviewed as well in order to be able to qualitatively interpret hypothesis 3. In addition, the interviewed organizations were all large, and even much larger than the sample used in the Cranet data. As it happens, the smallest organization interviewed has 1.100 employees, whereas all firms with 100 employees or more are included in the quantitative sample. In further research, firms with between 100 and 1.100 employees should therefore also be included.

In addition, the Cranet database provided the possibility of a mixed-method study by which the reliability of this research was ensured. However, the concept of the strategic process was very hard to apply to the data of Cranet. Although I frequently mentioned that it is an indication of the strategic process that is used in the quantitative analysis, further research could look for ways to thoroughly research this concept quantitatively. Lastly, only two control variables are used in the quantitative research. Further research could use more variables, such as the country of the company. Still, multi-item scales have been used, which enabled broadly measuring various aspects of important concepts in this research. Therefore, despite the limitations of this research, I feel that the method and accuracy with which this research has been carried out has contributed to a reliable and relevant research which could very well be the foundation of interesting future research.

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Appendices

Appendix 1: Operationalization scheme

Concept	***Variables***	***Indicators (in the Cranet-database)***	***Cranet section (S) and question (Q)***
Employee participation	Direct employee participation	Team briefing	S. V Q.7F
		Suggestion schemes	S.V Q.7G
		Direct contact to senior managers	S.V Q.7A
		Through immediate superiors	S.V Q.7B
		Regular workforce meetings	S.V Q.7E
		Attitude surveys	S.V Q.7H
		Electric communication	S.V Q.7I
	Indirect employee participation	Trough works council	S.V Q.4 S.V Q.7D
	Financial participation	Employee share ownership schemes (ESO)	S. IV Q.2A
		Stock option schemes (SO)	S. IV Q.2C
		Profit sharing schemes (PS)	S. IV Q.2B
	Communication in briefings	Formal briefing of business strategy	S.V Q.6A/B/C
		Formal briefing of financial performance	S.V Q.6A/B/C
Organizational performance	Financial indicators	Gross revenue	S.VI Q.4
		Stock market performance	S.VI Q.5E
		Profitability	S.VI Q.5C
	Non-financial indicators	Innovation rate	S.VI Q.5D
		Productivity	S.VI Q.5B
		Service-quality	S.VI Q.5A

Concept	***Variables***	***Indicators (in the Cranet-database)***	***Cranet section (S) and question (Q)***
The strategic process	/	The existence of a written mission statement	S.I Q.6A
		The existence of a written business/service strategy	S.I Q.6B
		The existence of a written Personnel/HRM strategy	S.I Q.6C
		The existence of a written HR recruitment strategy	S.I Q.6D
		The existence of a written HR training & development strategy	S.I Q.6E
		The existence of a written Corporate Social Responsibility (CSR) statement	S.I Q.6F
		The existence of a written Diversity statement	S.I Q.6G

Appendix 2: Tables quantitative analysis

Reliability Statistics construct Performance		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,740	0,757	6

Item Statistics construct Performance			
	Mean	Std. Deviation	N
Relative service quality	3,9629	0,99796	1482
Relative productivity	3,5668	1,09442	1482
Relative profitability	3,3833	1,18347	1482
Relative innovation rate	3,4730	1,20751	1482
Environmental matters	3,2119	1,42929	1482
Gross revenue	3,6835	1,38102	1482

Reliability Statistics construct Strategic Process		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,741	0,741	7

Item Statistics construct Strategic Process			
	Mean	Std. Deviation	N
The existence of a written mission statement	0,8832	0,32125	1396
The existence of a written business/service strategy	0,8632	0,34378	1396
The existence of a written Personnel/HRM strategy	0,6748	0,46862	1396
The existence of a written HR recruitment strategy	0,5731	0,49481	1396
The existence of a written HR training & development strategy	0,6411	0,47984	1396
The existence of a written Corporate Social Responsibility (CSR) statement	0,6211	0,48530	1396
The existence of a written Diversity statement	0,4513	0,49780	1396

Reliability Statistics construct Direct Participation		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,704	0,709	7

Item Statistics construct Direct Participation			
	Mean	Std. Deviation	N
Team briefing	2,1302	1,20376	1383
Suggestion schemes	3,1063	0,91196	1383
Direct contact to senior managers	1,8655	1,27056	1383
Through immediate superiors	2,1417	1,27262	1383
Regular workforce meetings	1,2516	1,27211	1383
Attitude surveys	2,0304	1,43118	1383
Electric communication	2,1396	1,30458	1383

Item Statistics construct Indirect Participation (= works councils)			
	Mean	Std. Deviation	N
Works councils	1,4423	1,28313	1420

Reliability Statistics construct Communication in Briefings		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,775	0,761	6

Item Statistics construct Communication in Briefings			
	Mean	Std. Deviation	N
SBmg Strategy briefing: managers	0,9494	0,21927	1482
FBmg Financial briefing: managers	0,9561	0,20485	1482
SBpr Strategy briefing: professionals	0,6781	0,46735	1482
FBpr Financial briefing: professionals	0,6721	0,46962	1482
SBcl Strategy briefing: clerical/ manual	0,5648	0,49595	1482
FBcl Financial briefing: clerical/ manual	0,5864	0,49265	1482

Reliability Statistics construct Financial participation		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,740	0,753	9

Item Statistics			
	Mean	Std. Deviation	N
Employee share options: managers	0,2328	0,42275	1482
Employee share options: professionals	0,1046	0,30613	1482
Employee share options: clerical\ manuals	0,0877	0,28298	1482
Profit Sharing: mngt	0,3671	0,48217	1482
Profit Sharing: prof	0,2753	0,44682	1482
Profit Sharing: clerk\ manuals	0,2389	0,42653	1482
Stock Options: mngt	0,2173	0,41253	1482
Stock Options: prof	0,0648	0,24622	1482
Stock Options: clerk\ manuals	0,0364	0,18744	1482

Table 14: Pearson Correlation Matrix

	RelPerformance	lnSize	Construction	TransportComm	Finance	Chemicals	OtherIndustries	StratProcess	DirPart	StratBriefing	IndirPart	FinPart	iDirPartSP	iStratBriefingSP	iInDirPartSP	iFinPartSP
RelPerformance	1,000	0,083	-0,007	-0,071	0,028	0,027	-0,019	0,184	0,206	0,121	0,001	0,115	-0,017	-0,046	0,134	-0,034
lnSize		1,000	-0,027	-0,033	0,044	0,029	-0,014	0,238	0,079	0,065	0,135	0,269	0,001	-0,007	0,166	0,066
Construction			1,000	-0,079	-0,071	-0,070	-0,171	-0,057	-0,020	-0,058	-0,006	0,032	-0,033	-0,014	-0,041	-0,032
TransportComm				1,000	-0,103	-0,102	-0,248	-0,043	-0,037	-0,036	-0,028	-0,040	-0,009	-0,010	-0,052	0,035
Finance					1,000	-0,090	-0,220	0,053	0,019	0,084	-0,029	0,040	0,051	-0,035	0,019	0,006
Chemicals						1,000	-0,218	0,075	0,052	0,091	0,073	0,119	-0,018	-0,002	0,014	0,029
OtherIndustries							1,000	-0,029	0,031	-0,054	-0,072	-0,102	0,023	0,043	0,028	-0,003
StratProcess								1,000	0,333	0,327	0,074	0,147	-0,171	-0,199	0,481	-0,011
DirPart									1,000	0,304	0,203	0,128	-0,025	-0,075	0,181	0,000
StratBriefing										1,000	0,178	0,146	-0,092	-0,200	0,145	-0,070
IndirPart											1,000	0,158	0,004	-0,028	0,033	0,036
FinPart												1,000	-0,002	-0,062	0,108	0,151
iDirPartSP													1,000	0,302	0,067	0,145
iStratBriefingSP														1,000	0,044	0,161
iInDirPartSP															1,000	0,131
iFinPartSP																1,000

Table 15: ANOVA table with regard to the model with Relative Performance as dependent variable

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11,427	6	1,905	3,167	.004[b]
	Residual	851,586	1416	0,601		
	Total	863,013	1422			
2	Regression	34,841	7	4,977	8,504	.000[c]
	Residual	828,172	1415	0,585		
	Total	863,013	1422			
3	Regression	62,470	11	5,679	10,010	.000[d]
	Residual	800,543	1411	0,567		
	Total	863,013	1422			
4	Regression	65,891	15	4,393	7,754	.000[e]
	Residual	797,122	1407	0,567		
	Total	863,013	1422			
a. Dependent Variable: RelPerformance						
b. Predictors: (Constant), OtherIndustries, lnSize, Construction, Chemicals, Finance, TransportComm						
c. Predictors: (Constant), OtherIndustries, lnSize, Construction, Chemicals, Finance, TransportComm, StratProcess						
d. Predictors: (Constant), OtherIndustries, lnSize, Construction, Chemicals, Finance, TransportComm, StratProcess, IndirPart, FinPart, StratBriefing, DirPart						
e. Predictors: (Constant), OtherIndustries, lnSize, Construction, Chemicals, Finance, TransportComm, StratProcess, IndirPart, FinPart, StratBriefing, DirPart, iFinPartSP, iDirPartSP, iStratBriefingSP, iInDirPartSP						

Table 16: ANOVA table with regard to the model with Strategic Process as dependent variable

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	358,805	6	59,801	16,895	.000[b]
	Residual	5012,065	1416	3,540		
	Total	5370,870	1422			
2	Regression	1151,655	10	115,165	38,541	.000[c]
	Residual	4219,215	1412	2,988		
	Total	5370,870	1422			
a. Dependent Variable: StratProcess						
b. Predictors: (Constant), OtherIndustries, lnSize, Construction, Chemicals, Finance, TransportComm						
c. Predictors: (Constant), OtherIndustries, lnSize, Construction, Chemicals, Finance, TransportComm, DirPart, IndirPart, FinPart, StratBriefing						

Appendix 3: Interview script

Volgorde nummer		***Inhoud***	***Tijd***
0	**Intro**	Wie ben je zelf; Doel van het onderzoek (neutraal geformuleerd) Vraag toestemming voor opname interview; alleen voor transcriptie, geheel anoniem en niet identificeerbaar rapporteren (bv bedrijf X) gesprek van +/- een uur	**5 minuten**
1	**Oriënterende vragen**	**Wie bent u en wat is uw rol binnen het bedrijf?** - Rol/functie - Inhoud functie - Ervaring in het bedrijf	**5 minuten**
		Binnen welke markt opereert uw bedrijf met name? - Activiteiten - Competitie/concurrentie in de markt	
		Kunt u wat meer vertellen over de strategie van uw bedrijf? - sector - inhoud - specifieke focus - is er een missie en visie vastgelegd	
2	**Strategie en het strategische proces**	**Vooraf gegaan door neutrale inleiding nieuw onderwerp --> doorgaan op de strategie en hoe deze tot stand is gekomen**	**10 minuten**
		Hoe komt een strategie in uw bedrijf tot stand? - ad hoc of gepland - gescheiden formalisatie en implementatie	
		In hoeverre blijft de strategie in uw bedrijf zich ontwikkelen? - wie merkt dat in het bedrijf - welke factoren zijn van invloed	
		Is het proces waarop uw bedrijf strategische keuzes maakt vastgelegd? - wel of niet formeel vastgelegd - bekendheid in het bedrijf - mening over hoe het nu is geregeld	
3	**Resultaten**	**Vooraf gegaan door neutrale inleiding nieuw onderwerp**	**10 minuten**
		Wanneer is voor u dit bedrijf succesvol? Wat zijn zijn/haar eigen doelen/beoogde resultaten	
		Welke stappen moet uw bedrijf nemen om tot deze resultaten te komen? - vastlegging in strategie/stappenplan - aanpak - realisatie	

Volgorde nummer		*Inhoud*	*Tijd*
		In hoeverre komen uw belangrijke resultaten overeen met de rest van het bedrijf? - vastgelegde missie - organisationele doelen - doelen management	
		Welke stappen moet uw bedrijf nemen om tot deze resultaten te komen? - vastlegging in strategie/stappenplan - aanpak - realisatie	
		In hoeverre ziet u nu resultaten in uw bedrijf die een gevolg zijn van de strategie die uw bedrijf in het verleden heeft beoogd? - klanten - financiën - marktpositie	
4	**Werknemersparticipatie**	**neutrale introductie**	**10 minuten**
		Hoe vindt er in uw bedrijf werknemersparticipatie plaats? - welke activiteiten/hoe gaat dit in zijn werk? - welke werknemers/functies - wiens idee was dit/hoe is werknemersparticipatie tot stand gekomen?	
		In welke zaken worden werknemers betrokken door werknemersparticipatie? - eigen werkzaamheden of hoger/strategisch niveau - bij de strategie formulering en/of later - communicatie of participatie	
		In hoeverre heeft u het gevoel dat werknemers door deze activiteiten hun eigen ideeën (kunnen) delen met het management?	
		Welke factoren zorgen er volgens u voor dat werknemersparticipatie impact heeft?	

Volgorde nummer		*Inhoud*	*Tijd*
5	**Relatie werknemersparticipatie en het strategische proces**	**Vooraf gegaan door neutrale inleiding nieuw onderwerp**	**15 minuten**
		Wat is volgens u het effect van werknemersparticipatie op de strategie van uw bedrijf? - per verschillende vorm van participatie - soort keuzes/onderwerpen - snelheid van het strategische proces - draagvlak - welke werknemers/functies	
		In hoeverre worden er ideeën van het management door middel van werknemersparticipatie aangepast/tegengesproken? - voorbeelden - frequentie van voorkomen - wie is hierbij betrokken	
		Wat is het mogelijke effect van werknemersparticipatie op de werknemers in uw bedrijf? - motivatie - kennis van strategie en hiernaar gaan handelen	
		Wat is het mogelijke effect van werknemersparticipatie op de resultaten die het bedrijf wil behalen? - draagvlak - financiële prestaties - andere doelen	
6	**Outro**	Vriendelijk bedankt! Afspraken herhalen en bevestigen (anonimiteit) Ontvangen van eindverslag?	**5 minuten**

Appendix 4: Quotes of the qualitative interviews

Het strategische proces		
Firm ID	**Quote**	**Relevancy**
Firm 1	Wij zeggen weleens tegen elkaar: strategie wordt achteraf geschreven… Uhh, dat is natuurlijk niet helemaal waar. Maar een compleet strategisch plan helemaal op papier uitwerken met stapjes, daar geloof ik ook helemaal niet in. En daarin geloof ik meer in de emergent strategie.	1
Firm 1	Dus je moet bereid zijn, in zeg maar dat formuleren van je strategie, uhh, de ruimte te laten voor de dagelijkse praktijk en ontwikkelingen et cetera.	1
Firm 2	Uhh, nou er is nu een aparte strategieafdeling. Dat is, zeker voor hier, klein. Juist om de reden dat je wel de sturing moet doen, maar je hebt businesslijnen die zelf moeten weten wat hun strategie is. Je moet wel kijken of het consistent is en dat er toegevoegde waarde komt van de ene naar de ander en dat ze niet dingen dubbel doen, et cetera	1
Firm 3	Uhh nou we hebben natuurlijk aparte afdelingen strategie, stafafdelingen strategie. Uhh maar dat, en dat zijn samenwerkingen tussen centraal opererende adviseurs en management en mensen uit de divisies. En vaak zit je dan wel in het management, in het senior management. Of mensen die gewoon op basis van functie bij [Firm 3] echt, uhh, iets in de melk te brokkelen hebben of visie hebben op missie en de strategie. En die worden daar dan bij betrokken.	1
Firm 3	Uhh, ja daarin vraag ik me weleens af van hoe zinnig het nog is om echt met lange strategieën te werken, en geloof ik veel meer in emergente benaderingen. Dat je de waarde van de organisatie goed kent, de cultuur goed kent, je klanten goed kent, en vervolgens gewoon vanuit de opdracht of jouw toegevoegde waarde doet wat nodig is in de context waarin je opereert. En dan is de strategie meer emergent; hij ontstaat als het ware. In plaats van dat het afwikkelen van een vooropgezet plan.	1
Firm 4	Bij heel veel bedrijven zie je een afdeling business development, of een business developer. Dat hebben we hier niet. Wat ik al zei hè, ik moet zelf business development doen in mijn pmc, in de ondernemende eenheden.	1
Firm 1	Wij zijn onder andere een bedrijf dat zich veel voortdoet uit overnames. Nou ja, ik bepaal niet wanneer een bedrijf zich te koop zet… Ik kan wel contacten onderhouden, maar er is altijd een ander die bepaald om zich te koop te zetten. En het is aan ons de keuze om te bedenken: past dat dan in onze voorgenomen strategie? Onze voorgenomen plannen, of niet? En ja, zo werkt dat bij ons ook.	1
Firm 5	En twee jaar geleden zijn we begonnen met een driejarige strategie, dat is dus waar we nu nog middenin zitten. […] Ons driejarenplan heeft drie pijlers en dat is ook wereldwijd herkenbaar.	1
Firm 3	ik voel er heel veel voor om steeds meer naar dat emergente te gaan. Maar ook dan hebben mensen wel kaders en leidmotieven nodig om uhh te beslissen wat ze in een gegeven context moeten doen. En dan hoop ik dat zeg maar meer normatief, dus het waardekader, heel erg bepaald van welke keuzes we maken in veranderende omstandigheden.	2
Firm 4	En wij hebben deze week, op donderdag en vrijdag hebben we beleidsdagen. Dat hebben we twee keer in het jaar, met de twintig mensen die eigenlijk de grootste porties aandelen hebben gaan we op de hei zitten en het over allerlei dingen hebben. […] Dan praten we over strategie.	2
Firm 4	Maar, die uhh, de belangrijkste aandeelhouders zitten ook aan de het roer van de bedrijfseenheden waar we in ondernemen. En die groep, die bepaald	2

	ook uiteindelijk ja de missie, visie, de strategie, de lange termijn van het bedrijf.	
Firm 5	[Naam bedrijf] heeft een beleidsteam, heet dat. Dus daar zitten zeg maar alle directeuren van marktgroepen in maar ook alle commercieel directeuren van de twaalf sectoren waarin we actief zijn. En die hebben eigenlijk met name de kaders geschetst van nou, dit is als we kijken… ook vanuit global, wat daar belangrijk is... Wat zie je aan de trends in Nederland? Wat is de strategie vanuit global? [...] En dat doen we dan ook met het beleidsteam, samen met wat zien we aan trends in de markt in Nederland, tot, nou dit zijn de zes prioriteiten voor Nederland. En vervolgens rondom die zes prioriteiten – de daadwerkelijke invulling daarvan – daar hebben de medewerkers wel daadwerkelijk invloed op.	2
Firm 2	Ja, nou, dus een keer per jaar is er een grote bijeenkomst met de supervisie board. Nou, daar komen bepaalde onderwerpen aan de orde die relevant zijn, uhh, voor het geheel waar dus de bovenkant van de mensen allemaal betrokken zijn geweest. [...] Nou, iedere businesslijn heeft ook zo zijn eigen strategie. Alleen de optelsom moet ook nog passen binnen het geheel van wat we kunnen en hoe hard we bijvoorbeeld ook willen groeien. Nou er is zo'n hele cyclus, wat jaarlijks gaat. Uhh, en dat wordt gefaseerd dus dan uiteindelijk naar die ene datum gebracht waar dat dan een keer samenkomt. [...] Hè, nou, dat is een dik document maar de facto is dat altijd de achtergrond. En dan kunnen er daarnaast nog specifieke onderwerpen zijn die belangrijk zijn, uhh, en dat worden dan de special topics die daar ook aan de orde komen.	3
Firm 3	de strategische paradox hè, die kom je bijvoorbeeld ook bij je strategische personeelsplanning tegen. Hè, naarmate de toekomst ongewis en onbekender is dan is de behoefte aan strategie en planning groot, maar is het ingewikkeld omdat alles zo veranderd is. Maar als alles stabiel is, is de behoefte klein, maar is het eenvoudig om te doen omdat je gewoon kunt extrapoleren.	3
(Gewenste) resultaten		
Firm ID	Quote	Relevancy
Firm 1	Uhh, één is uiteraard als wij onze begrotingsdoelstellingen halen. Wij hebben gewoon begrotingsdoelstellingen als het gaat om omzet en de resultaten die daarbij horen. […] Maar, het gaat altijd gepaard met: is het ook duurzaam?	1
Firm 3	Nou en zo hebben we een stuk of vier of vijf partijen in ons stakeholdermodel waarvan we zeggen van nou voor hun willen we allemaal van betekenis voor zijn. Dus niet alleen maar geld verdienen, hè, je wilt maatschappelijke waarde leveren, je wil van betekenis zijn voor je medewerkers, vanzelfsprekend voor je klanten, leveranciers, en noem allemaal maar op.	1
Firm 3	De doelen zijn natuurlijk heel belangrijk. En je strategie is een vehicle, zoals het noem, om die doelstellingen te bereiken. En kijk als de doelstellingen helder zijn, en daar kun je vanuit HR natuurlijk heel erg aan bijdragen, uhh, dan kan een emergente strategie gewoon betekenen dat gewoon een specialist, een vakman of -vrouw, op elke plek in de organisatie, moet weten wat de doelen zijn, en moet handelingsvrijheid krijgen binnen de kaders waar ik het over had. Om vervolgens de eigen strategie of richting te bepalen om bij die doelen uit te komen. En dan zijn we succesvol als we ons, uhh, als we onze doelstellingen halen. Financieel, maatschappelijk, op gebied van medewerkers en leveranciers, noem maar op.	1
Firm 4	En eigenlijk de kern van ons bedrijf is dat wij, wij willen een ingenieursbureau van topklasse zijn. Dus wij vinden ook dat elke	1

	medewerker eigenlijk topexpertise moet leveren. Dus wij willen echt de beste van de klas zijn.	
Firm 5	Maar onze targets zijn ook niet 100% financiële targets, maar we hebben bijvoorbeeld ook gedragstargets. En dat zie je bijvoorbeeld nu ook op corporate niveau, bijvoorbeeld in de beloning van the executive board, dat er vijf KPI's zijn waarvan er drie financieel gedreven zijn en twee gedrags-gedreven. [...] Bijvoorbeeld ook hoe duurzaam we zijn.	1
Firm 1	Even terug naar mijn pannenkoek van net, uhh, de brede laag van medewerkers die hebben daar [resultaten en benodigde strategie] veel minder mee… die werken in of een zelfbedieningsgroothandel of in de bezorging, of in noem maar op. Daar waar je praat over de backoffice, dus daar waar het denkwerk plaatsvindt, is dat een algemeen beeld wat er is.	2
Employee participation: activiteiten		
Firm ID	**Quote**	**Relevancy**
Firm 1	Wij, uhh, keren een deel van onze winst uit aan onze medewerkers in de vorm van aandelen…En in de vorm van aandelen en in de vorm van opties. Uhh, en daarmee wordt iedere vaste medewerker die wij hebben aandeelhouder in ons bedrijf. Dat is wat wij doen.	
Firm 1	Nou ja, uiteraard hebben wij een centrale ondernemingsraad. Ik bedoel, daar zijn wij ook zeer, uhh, trots op en hebben we een mooie traditie mee zoals wij dat doen. Dat is ook een hele belangrijke bron van informatie en inspiratie.	
Firm 1	Wij noemen dat een PUB: een periodieke update borrel, waar we mensen even kort meenemen in wat is er aan de hand en hoe doen we dat? Gewoon voor het kantoor. Niet bedoeld om de discussiëren maar wel om te informeren. Met daarna een informeel samenzijn waardoor je ook zeg maar het er met elkaar over kunt hebben.	
Firm 1	Uhh, wij doen dat ook in de vorm van een aantal klankborden die wij hebben in het geheel, kernploeg hebben wij bijvoorbeeld. Maar we hebben ook een groep die wij de jonge helden noemen.	
Firm 2	Die communicatie. Maar dan is het wel meer top-down, dan bottom-up. [...] De strategie wordt in feite door een kleine groep voorbereid. […] Nou, en dan wordt het gecommuniceerd en gedelegeerd naar beneden.	
Firm 2	De ondernemingsraad levert expliciet geen input in het strategieproces. […] Hè dus er is wel een stuk aan het personeelsbeleid waar ze natuurlijk meer invloed op hebben. Maar waar de Firma naartoe moet gaan, daar heeft een ondernemingsraad niks… Nou, krijgen zij informatie? Ja. Toen ik dus strategie deed ging ik een keer per half jaar ongeveer, gewoon een halve dag met de ondernemingsraad praten. Ja, en dan zeggen ze ook dingen. En dan ga ik er wel over nadenken of het nou een goede opmerking is die ze zeggen, of niet. Dus op die manier heb je invloed. Maar heb je strikt genomen, formeel invloed? Dan is het antwoord nee.	
Firm 2	Uhh, elk kwartaal geven we, nou, getrapt in feite informatie aan allerlei mensen over hoe dingen ervoor staan, waar we naartoe gaan, et cetera. Ja, aangezien het ook een hele open Firma is, komen er allerlei responses op et cetera. Nou, hoe werkt dat? Heb je dan invloed? Ja, dan heb je invloed.	
Firm 2	Nou ja alles is er wel ongeveer hier. Dat komt gewoon door de omvang. [...] Hoe hoger je bent hoe meer je natuurlijk te zien kunt krijgen. Of vooral hoe eerder je dingen te zien kunt krijgen. Maar de openheid over tot welk detail dat verdeeld wordt is in algemene zin heel erg groot. [...] Al dat soort zaken gebeuren in feite heel breed, om maar te zorgen dat iedereen erbij betrokken blijft.	

Firm 2	Twee keer per jaar doen we een all-employee meeting. Dus voor zover dat nog gaat, hè… […] Uhh elke executive heeft zijn lunches een keer per maand en daar kunnen alle mensen op inschrijven.	
Firm 3	De ondernemingsraad ja, de centrale ondernemingsraad. Dus formeel uhh, de bestuurder en de medezeggenschap hè. Ze mogen dus mede zeggen hoe het moet gaan hè, met de verschillende rechten die ze hebben.	
Firm 3	En voor de rest zijn er tal van manieren denk ik waarop medewerkers uitgenodigd worden, uhh van ideeënbus bij wijze van spreken, tot de overleggen die er zijn en de projecten die er lopen, om uhh, daar een bijdrage aan te leveren.	
Firm 3	Uhh, wij kennen een winstdelingsregeling voor ons personeel. Uhh, en wij zijn er heel erg aan het nadenken over van hoe je die participatie, of ook hoe je dat gevoel dat mensen onderdeel zijn van, hoe je dat kunt versterken. Ik vind dat extra van belang omdat je door die hele flexibilisering gewoon ziet dat uhh, duurzaam, betekenisvolle relaties tussen weergevende en werkenden, dat die steeds meer onder druk komen te staan.	
Firm 3	Nou ja, kijk, je hebt natuurlijk wel de formele, uhh, werkoverleggen waarin gesproken wordt over strategie of over toekomst, of over plannenmakerij hè, en die kom je op elk organisatieniveau tegen.	
Firm 3	Maar we hebben natuurlijk ook de interne communicatie hè, ons intranet, ja daar zie je ook dat daar allerlei thema's dag in dag uit worden besproken, op ons intranet. En dat is van strategie tot, uhh, bij wijze van spreken de vuilnisbakken. En daar mogen mensen op reageren en dan ontstaan er dus ook hele discussies ook, uhh, over alle divisies heen… [...] Hè dus dat is gewoon wat hoort bij de strategie. Er zijn interne en externe ontwikkelingen. En als een interne ontwikkeling is dat het leeuwendeel van de mensen bij wijze van spreken, uhh, nou, tegen uhh beleggen is in, nou noem eens wat, in tabak of in alcohol, wat dan ook, dan zijn dat dingen waar rekening mee wordt gehouden.	
Firm 4	Nee die terugkoppeling [van strategische bijeenkomsten] vindt eigenlijk op sectorniveau plaats. Dus eigenlijk op sectorniveau koppelen we terug wat we besproken hebben. Maar dat is ook niet in detail. Want waar we gewoon voor willen waken, is dat je steeds een soort van verantwoordingsgevoel hebt. [...] Dus er moet een vorm van terugkoppeling zijn waardoor deze mensen, in hun almachtige waarheid, de vertaling maken naar de pmc's en naar de groepen die eronder zitten. Maar dat wordt niet via een document vastgelegd, of wat dan ook.	
Firm 4	ik ben dus medeaandeelhouder van dit bedrijf. Net zozeer als, volgens mij bijna 80 procent van de medewerkers, omdat alle medewerkers met een vast contract ook elk aandeelhouder zijn. […] Aandelen zijn altijd in handen van medewerkers, en nooit mensen van buiten het bedrijf of pensioenfondsen of wat dan ook.	
Firm 5	Hè want we hebben ook een resultaat-afhankelijke uitkering, naast alle aandelenprogramma's hebben we ook nog dat soort dingen. Of een bonusregeling voor bepaalde medewerkers.	
Firm 5	Ja toen hadden we strategie-box sessies, op zich hartstikke leuk, een beetje een gamification-idee. We hadden een hele grote spellendoos, waar echt serieus werk van was gemaakt. Nou, en dit zijn de zes groeiprioriteiten, kijk maar: wat zou het inhouden, wat kan het voor jou betekenen? Hè, dus echt de interactie in de groepen, en dat mensen ook echt eigenaarschap kunnen nemen in hun eigen groep, in hun eigen rol, voor die strategie.	
Firm 5	Uhh, maar ik denk dat wat voor jouw onderzoek met name relevant is, is het aandelenplan. Dus het programma wat wij financieren. [...] Dus het plan is op dit moment zo: medewerkers kunnen zich inschrijven voor een vaste	

	inleg per maand, en daarvoor worden per maand uhh, aandelen gekocht. Die geven wij aan hen tegen korting. En wij kopen dus als stichting continu aandelen bij om maar te zorgen dat we weer onze aandelen kunnen verkopen, met korting dan, aan de deelnemers van het aandelenplan.	
Firm 5	Dus toevallig du moment, deze week, zitten er weer 100 medewerkers world-wide face to face in België in een digitaal transformatie programma zeg maar. Waar heel veel energie op zit en waar mensen ook echt actief kunnen meedenken en bijdragen aan de strategie en de transformatie van het bedrijf…	
Relatie Strategic Process en Performance		
Firm ID	**Quote**	**Relevancy**
Firm 1	Bijvoorbeeld door klantensegmentaties toe te gaan passen. Uhh, in het hele verre verleden en dan praat ik over toen ik hier net kwam, toen hadden we in de zomer een groot omzetprobleem. Omdat wij veel beleverden in steden en universiteiten, en weet ik nog wat allemaal meer, en je kunt je voorstellen dat daar in de zomer minder is. Voor de steden is het tegenwoordig wel wat anders… Maar, wij hebben toen heel bewust gekozen om te kijken van goh is er dan een seizoenspiek te vinden in een klantsegmentatie die dat op gaat vangen. En dat is er, dat is namelijk seizoenshoreca, hè aan de stranden. Wij zijn toen heel bewust op zoek gegaan naar bedrijven die vooral aan die seizoenshoreca leverden om die over te nemen. Dat hebben we ook gedaan.	1
Firm 5	Hè, dus je ziet dat we transformeren. Je ziet dat ook aan, uhh, toch andersoortige businessmodellen. We doen nu een aantal werkzaamheden die we een aantal jaren geleden niet deden. En dat we aan het nadenken zijn over andere verdienmodellen. [...] En dat zijn echt wel… nieuwe vormen van geld verdienen die we een aantal jaar geleden ook nog niet hadden. En die werken wel, ja. Ja.	1
Relatie werknemersparticipatie en strategie		
Firm ID	**Quote**	**Relevancy**
Firm 1	Retail-organisaties zoals wij en food-service bedrijven, die kenmerken zich, zoals ik dat altijd noem, als een grote platte pannenkoek met een klein puistje erop. Dus een hele grote groep die dagdagelijks werk aan het doen is. Heel belangrijk werk, ook. En er is maar een kleine strategische en tactische top die erop zit. En dat is ook goed, zo hoort dat ook… ja… Als je heel de massa mee laat denken dan wordt het een heel ingewikkeld proces, kan ik je vertellen…	1
Firm 1	Je resultaten, [...] daarover leg je verantwoording af aan je aandeelhouders, maar daarmee ook aan je medewerkers. Ik bedoel, [...] een ondernemingsraad stelt daar vragen over.[...] Uhh en dat betekent dus dat wij impliciet van tevoren al bedenken dat wij daar dus verantwoording over zullen af moeten gaan leggen.	1
Firm 2	Nou als jij in een specifiek onderwerp toevallig deskundig bent dan wordt je betrokken. Maar dan gaat dat getrapt. Uhh, de strategieafdeling verzint maar een heel beperkt gedeelte zelf. Hè, die moeten vooral sturen en als de een dit zegt en de ander dat, dat kan niet. En hoe krijg je dat dan bij elkaar gevoegd. Je hoeft niet alle antwoorden te weten.	1
Firm 2	Managers hoeven nooit te antwoorden te weten. Die moeten weten hoe ze achter de antwoorden komen.	1
Firm 3	Wij hopen dat wij een cultuur hebben dat als mensen goede ideeën hebben bij wijze van spreken zo bij de raad van bestuur binnen kunnen lopen en dat te uiten. Maar we hebben dus niet georganiseerde large group interventions om weet ik veel, de callcenter medewerkers mee te laten denken over de organisatiestrategie.	1

Firm 3	Ja want wij proberen gelijke arbeidsverhoudingen te hebben, dus dat niet de hiërarchie in de weg zit, maar dat er echt op ooghoogte met elkaar wordt gesproken. Uhh, het is natuurlijk wel zo dat die posities van elkaar verschillend zijn, hè. Uhh, dus soms is er nog wel sprake van dat medewerkers dat misschien niet of onvoldoende durven.	1
Firm 3	Nu zeggen wij echt 'wie het weet mag het zeggen, en wie het kan mag het doen', ongeacht je positie. Het gaat om je klantprestatie leveren, en als iemand denkt dat hij weet hoe het moet, of die het kan, ga je gang. Daar nodigen wij mensen toe uit. En dan mag er geen hiërarchie in de weg zitten om iets niet te doen. [...] Maar ik denk dat de meeste mensen, uhh, ja die opereren natuurlijk in hun eigen context en leveren op dat niveau hun bijdrage	1
Firm 3	Medewerkersparticipatie leidt tot betere besluitvorming, laat ik het zo stellen. […] Ik denk dat, uhh, wij in deze organisatie mechanismen en middelen hebben dat op het moment dat er besluiten moeten worden genomen, de besluitvormers goed op de hoogte zijn van wat zeg maar het gevoel in de organisatie is.	1
Firm 4	Als je met 1100 mensen aan de voorkant niet zorgvuldig het proces doorloopt, ja dan ondervindt je weerstand. [...] als je 1100 mensen in dienst hebt dan moet je van tevoren zorgvuldig dingen afwegen en mensen meenemen. Want anders loop je tegen een enorme hoeveelheid weerstand aan. Dat betekent in veel gevallen ook dat voordat we echt beslissen, ja dan hebben we toch al afgetast binnen sectoren, vier mensen, of binnen de pmc's, hoe iets landt. En de ondernemingsraad heeft daar ook wel een belangrijke stempel in hè.	1
Firm 2	Ja en het helpt ook om te laten zien, we… we proberen wel te luisteren. Hè dus het is bereidheid om te luisteren [..] En dat komt aan, ja. Hè dus het is niet heel moeilijk om toegang te krijgen tot bazen.[...]. Dus, waarschijnlijk, uhh, Ik heb het idee dat medewerkers wel hun ideeën kwijt kunnen aan het management en de mensen die erover kunnen beslissen. Maar doen ze het altijd? Nee. En leidt het dus altijd tot grote tevredenheid? Ook nee. Maar uhh, het mogelijk maken dat ernaar geluisterd kan worden, dat werkt denk ik wel heel positief.	1
Firm 1	Wij zijn wel een redelijk centraal geleide organisatie. Dus wij bepalen strategie centraal. Maar wij horen graag decentraal. Dus de informatie halen we zo breed mogelijk in de organisatie op.	1
Firm 2	Maar het uitzetten van het pad is dus niet democratisch. […] Dus strategie van onderop, is in mijn ogen volslagen lariekoek. Moet je dus nooit proberen.	1
Firm 3	Ja, natuurlijk. Ja. Ja. Ja die leidinggevenden zijn eigenlijk… Ik zie het ook als een rol van leidinggevenden dat zij medewerkers uitnodigen en stimuleren om met vernieuwing te komen. Zoiets als continu verbeteren, dus ook met die lean-visies, dat is uhh dat behoort tot onze cultuur. Hè, dus uhh, we hebben allerhande sessies, zoals keek-op-de-week, evaluatiesessies, waarbij we uhh, ja voortdurend ons afvragen van wat ging goed, wat kan beter, en hoe kunnen we het verbeteren? En daar worden medewerkers actief, uhh, hebben daar een actieve rol in.	1
Firm 5	Ik denk ook persoonlijk dat mensen het idee hebben dat ze meer invloed hebben op de strategie van [naam bedrijf], door programma's zeg maar binnen [naam bedrijf] Nederland. Want dat is toch wat ze meer raakt dan echt de global strategie.	1
Firm 5	Dus ik denk zelf dat, nou, de keuze die wij ook als directieteam Nederland hebben gemaakt om onze mensen gewoon actief te betrekken in onze strategie op de inhoudelijke manier. En echt een appel doen op hun kennis	1

	en hun werk en hun toekomst, continuïteit en lol in je eigen baan. Dat dat belangrijker is dan, ja een aandeel waar je in the end heel weinig aan hebt.	
Firm 1	Je ziet van oorsprong een hele warme cultuur zou ik willen zeggen, en een betrokkenheidscultuur, meer dan banken of verzekeraars of iets dergelijk. Dus dat was er eerst, en dat leidt al tot die betrokkenheid van je medewerkers en de behoefte om met je medewerkers in gesprek te gaan. Dus daar komt die vandaan. En daarmee is die participatie een afgeleide geworden. Maar dit helpt wel om dat in stand te houden.	1
Firm 1	Maar ik ben ook erg van mening dat je uhh, schoenmaker hou je bij je leest, ik bedoel een caissière vragen over wat ze van onze strategische digitale plannen vindt, dat vind ik een beetje een kansloos gesprek worden. Dus ik wil ze heel serieus nemen in het vak wat ze uitoefenen en waar ze tegenaan lopen en hoe ze dat dan doen. [...] Maar ik ben van mening dat je mensen vooral moet vragen over de dingen waar ze echt verstand van hebben. Anders is het alleen frustrerend.	2
Firm 2	Dus daarmee weten vele mensen hier redelijk goed van waar we naartoe gaan, wat de prioriteiten zijn, daar is geen discussie over. Hè, van de strategische doelen worden Key Performance Indicatoren afgeleid per stuk van de afdeling. En dat wordt weer, nou, met wat tussenstapjes in… Nou eenieder heeft zijn eigen targets voor elk jaar. Nou die zijn afgeleid van die strategische issues. Nou, dus daarmee doet eenieder werk wat gekoppeld is met wat die strategische doelen zijn. Nou dat kan alleen maar als je het via dat getrapte systeem wel aan alle mensen mededeelt.	2
Firm 4	Ja want [de ondernemingsraad] leest ook het ondernemingsplan. Uhh, maar je ziet wel heel vaak, en dat is denk ik op zich ook wel goed, dat de business, de pmc's die kijken naar werk en de manier waarop de markt zich organiseert op dat inhoudelijke werkveld, en de ondernemingsraad die kijkt heel nadrukkelijk mee als het gaat om arbeidsvoorwaarden.	2
Firm 4	En ik ben ervan overtuigd, dat als je je best doet, je in elk jaarplan een of twee zinnen van jezelf kwijt kunt. Maar ja daar moet ook wel een realistisch gehalte in zitten hè. En dat is wel best moeilijk in dit bedrijf. Zeker als je met 1100 mensen bent. Ik kan zelf beslissen om niet naar een bepaalde supermarkt te gaan of ergens niet of wel te tanken. Maar voor 1100 mensen is dat echt moeilijk. Die grootte kan ook wel in je nadeel werken als het gaat om hoe je als individu, of als aandeelhouder, je ei kwijt kunt in een bedrijf.	2
Firm 3	Ik zie het ook als een rol van leidinggevenden dat zij medewerkers uitnodigen en stimuleren om met vernieuwing te komen. Zoiets als continu verbeteren, dus ook met die lean-visies, dat is uhh dat behoort tot onze cultuur. Hè, dus uhh, we hebben allerhande sessies, zoals keek-op-de-week, evaluatiesessies, waarbij we uhh, ja voortdurend ons afvragen van wat ging goed, wat kan beter, en hoe kunnen we het verbeteren? En daar worden medewerkers actief, uhh, hebben daar een actieve rol in.	2
Firm 1	Alle medewerkers kunnen er [de missie/visie/strategie] in principe kennis van nemen. Van zowel onze interne platforms maken wij gebruik om mensen te informeren, maar het staat ook in ons jaarverslag en op onze website. Dus er wordt nadrukkelijk en open verteld over wat we aan het doen zijn.	2
Firm 2	Nou je moet wel luisteren hè, dus het is wat anders als… maar het is geen democratisch proces, het is niet dat de meerderheid beslist. De mensen die het begrijpen moeten beslissen. Nou, en dat zijn er vaak maar heel weinig. En daardoor lijkt dat niet democratisch. Daarna moet je er dus wel voor zorgen dat je het heel goed uitlegt. Hè, en iedereen erachter proberen te krijgen.	2

Firm 5	En uhh, nou ja, ik was toevallig op de ave afgelopen april, maar dan meer vanuit mijn rol als major shareholder. Nou ja van het aantal medewerkers die losse aandelen hebben, ik kan op een hand tellen hoeveel medewerkers er nog waren. Verder wat er rondloopt zijn natuurlijk mensen van de NV of collega's als major shareholders. Weinig echt vanuit de huidige business.	2
Firm 5	Het is niet dat we een oproep hebben gedaan met 'goh wat denk je? Wat moet de strategie zijn?'. [Naam organisatie] heeft een beleidsteam, heet dat. Dus daar zitten zeg maar alle directeuren van marktgroepen in maar ook alle commercieel directeuren van de twaalf sectoren waarin we actief zijn. En die hebben eigenlijk met name de kaders geschetst van nou, dit is als we kijken… ook vanuit global, wat daar belangrijk is... Wat zie je aan de trends in Nederland? Wat is de strategie vanuit global? En in die strategie van global hebben de medewerkers op zich wel een rol gehad, want er is wel heel goed gekeken naar… We hebben een medewerkersonderzoek dat heet Your Voice, nou daar komt feedback uit naar voren. En daar waren wel wat dingen duidelijk van joh weet je, we zijn toch wel heel erg op cijfers gestuurd en we missen af en toe wat meer de feedbackcultuur. En daar is echt wel naar geluisterd.	2
Firm 3	Ja de top-down benadering, dat dat ook voor een deel bottom-up georganiseerd is. Dus medewerkers kennen de doelen van de organisatie, uhh, als het goed is kennen ze hun eigen talenten, en ze worden vervolgens gevraagd om zelf te bepalen op welke manier ze het beste een bijdrage kunnen leveren aan de organisatie. En daarover zijn ze wel met elkaar in gesprek, en ook met hun leidinggevende. Maar het is niet zo dan hun leidinggevende van haar leidinggevende van zijn leidinggevende hoort van dit moet er gebeuren en zorg dat je daar met je medewerkers afspraken over maakt.	3
Firm 1	Even terug naar mijn pannenkoek van net, uhh, de brede laag van medewerkers die hebben daar [resultaten en benodigde strategie] veel minder mee… die werken in of een zelfbedieningsgroothandel of in de bezorging, of in noem maar op. Daar waar je praat over de backoffice, dus daar waar het denkwerk plaatsvindt, is dat een algemeen beeld wat er is.	3
Firm 5	Het is een beetje divergeren convergeren, dat proces.	
Firm 5	Dat vind ik echt het meest krachtige en dat is ook de reden waarom mensen bij ons willen werken en ook bij ons blijven werken. Omdat ze ook het idee hebben dat ze ook eigenaarschap kunnen hebben, ook over hun eigen carrière pad. Uhh, ja. En eigenaarschap op, nou, de strategie, waar gaan we naartoe en wat kan ik daarin betekenen?	
Relatie Werknemersparticipatie en resultaten		
Firm ID	**Quote**	**Relevancy**
Firm 1	Wat je creëert bij die groep mensen is een gevoel van erbij horen. Je bent een onderdeel van het geheel en het is ook van mij. Dat creëer je. En op grond daarvan gaan ze bepaald gedrag vertonen. Maar dat is niet erg gepland. Dat is gewoon een resultaat van.	1
Firm 1	ik denk wel dat in de algemeenheid er een groter bewustzijn is bij een grotere groep mensen over kostenbewustzijn, resultaatgerichtheid, en dat soort dingen. Omdat dat toch ook direct effect heeft, zeg maar ook op je beloning. […] Het wordt wat meer van jezelf. En iets wat van jezelf is, daar ben je meestal ietsje zuiniger op.	1
Firm 2	Maar het feit dat je mensen er al dan bij betrekt, enthousiast maakt, dat ze het begrijpen, et cetera, heeft natuurlijk gewoon het effect op resultaten. Hè dus… Het gaat om de kennis!	1
Firm 3	de opzet is van uhh dat dat natuurlijk tot een verbeterd bedrijfsresultaat leidt ja. Dus als een, uhh, een werknemer met een verbeteridee komt, waar een	1

	leidinggevende gewoon te ver van af heeft gestaan om dat te zien. Nou dan kan je maar beter zorgen dat je dat aftapt en dan je die suggestie, dat je die uitvoert.	
Firm 3	Ik denk dat iedereen graag een bijdrage wil leveren, en de mensen die in het werkveld zijn, die weten vaak het beste hoe dat kan. En, maar die voelen zich vaak tegengewerkt door allerlei regels of procedures of weet ik veel, dat ze geen besluiten mogen nemen omdat er geen manager voor hun naam stond bij wijze van spreken. Nou, dat is er bij ons wel af. Wie het weet mag het zeggen en wie het kan mag het doen.	1
Firm 4	Wij als bedrijf geloven er heilig in dat werknemersparticipatie bijdraagt aan lange termijn doelstellingen en betrokkenheid.	1
Firm 4	Maar ja, ik denk in de kern, dat medewerkersparticipatie helpt om vanuit het gezamenlijke resultaat aan het eind ook die trots te voelen.	1
Firm 4	Dus in die zin zijn wij de spagaat tussen, uhh, werknemersparticipatie versus die strategie, als het gaat om ondernemerschap en risico. Dat is een hele moeilijke. Want je wil dat iedereen ondernemer is, maar we willen wel een beperkt risico lopen.[...] Als het goed is iedereen op die manier een klein beetje eigenaar en zou zich betrokken moeten voelen, moeten snappen hoe het systeem financieel werkt en aan de andere kant, ja uhh, ondernemen en risico's, die afweging goed moet kunnen maken.	1
Firm 4	Ik denk in veel gevallen dat dat ook een belangrijke toets steeds is. Wat zou je als persoon, als individu, zelf doen. Als het jouw portemonnee was. Dus je hebt een portemonnee van 130 miljoen omzet…. […] Mensen zien het als hun eigen portemonnee.	1
Firm 4	Nou, misschien zijn we wel niet zo goed in innoveren, omdat dat eigenaarschap iets in zich heeft van pas op, kosten die je maakt moet je in welke vorm dan ook terugverdienen.	1
Firm 3	Nou, ik hoop dat dat is dat een medewerker zich serieus genomen voelt. En dat hoeft niet te betekenen dat altijd hij of zij op zijn wenken wordt bediend, maar dat er wel naar geluisterd wordt en dat er iets met het idee wordt gedaan. En dat heeft een motiverend effect.	1
Firm 4	Ik denk dat werknemersparticipatie enorm helpt bij het creëren van draagvlak over waarom je samen bestaat. Dus de richting die je opgaat, dat doe je omdat je allemaal onderdeel bent van dit bedrijf. Dus het is niet, lullig gezegd, dat de directie besluit dat jij een bepaald project gaat doen. Nee! Op de een of andere manier hebben we samen, met inzicht van invulling en kennis, dit project gewonnen en gaan we het als bedrijf samen doen. Dus draagvlak en commitment, die worden volgens mij heel erg gevoed door de participatie. De betrokkenheid die je zelf hebt: het is onderdeel van mij. Ik ben eigenaar van dit bedrijf dus alles wat ik doe komt mij ten goede, maar ook 80% van de anderen. Dat is denk ik heel belangrijk.	1
Firm 5	Nee dus ik denk dat het heel erg het meenemen is. Het begint met awareness en mensen bewust maken van oké dit is onze belangrijke stip op de horizon, dit zijn voor ons belangrijke dingen en op deze manier kunnen we onze totale performance verbeteren en daar kun jij dus ook van mee profiteren. Hè, dus dat zijn… en daar hè, en zeker zo'n performance gerichte afspraak, die kun je maken en dan kunnen mensen ook in die zin er financieel op vooruit gaan.	1
Firm 1	Uhh ik denk zeker dat de mensen die wat langer aandeelhouder zijn en ook best wel wat kapitaal opgebouwd hebben, dat zij zich wel degelijk erg verantwoordelijk en betrokken voelen, en op basis daarvan ook wel zeg maar een soort intrinsieke motivatie hebben om aan de bel te trekken als zij vinden dat er op hun plekje iets niet goed gaat.	2

Firm 2	Het is een versterking van de component kwaliteitsdingen doen. Dat zit in duizenden en duizenden kleine dingetjes. Nou, dat kan ik op twee manieren doen. Ik kan er een politieman naast zetten die iedere keer als je iets niet goed doet op je vingers slaat. Of ik kan ervoor zorgen dat mensen dat uit zichzelf gaan doen. Nou, dan zou je altijd voor het laatste kiezen en niet voor het eerste.	2
Firm 4	En kijk dat vertrouwen is volgens de belangrijkste kern, dat iedereen mee kan helpen bij de toekomst van het bedrijf. Durf je dingen te doen? Als je dingen durft en het bedrijf staat achter je, ja dan zul je als daar als bedrijf ook heel veel baat daarbij hebben.	2
Firm 4	Ik ben er wel van overtuigd dat de manier waarop we samen dat bedrijf zijn, en je in veel gevallen een bepaalde drive hebt om goed te zijn, dat dat wel heel erg bijdraagt aan ja het goed presteren. Ik moet je eerlijk zeggen, dat als dat… Ja kijk die participatie, die uhh, en de manier waarop we daarmee omgaan, die maakt het voor ons ook wel heel erg spannend om te willen winnen.	2
Firm 5	Uiteindelijk zijn je resultaten het resultaat van datgene wat je samen doet. Maar ik denk niet dat je als medewerker denkt van dit specifieke resultaat is datgene wat jij zelf… nee het is toch een combinatie van wat je met zijn allen doet.	2
Overige effecten/quotes werknemersparticipatie		
Firm ID	**Quote**	**Relevancy**
Firm 1	En een financieel belang hè. Bij sommige mensen gaat het echt om aanzienlijke bedragen. Die hebben echt hun grote spaarpot hier in hun aandelenkapitaal bij [Firm 1] zitten en die hebben daar ook een plan mee. Dus het vertegenwoordigt ook een materiele waarde, dus dat is ook waardevol om naar te kijken.	
Firm 3	Dus het is een beetje gelaagd. Iedereen is onderdeel van de organisatie maar ze identificeren zich meer met het team of misschien het bedrijfsonderdeel, of het vak wat ze uitoefenen.	
Firm 4	dus als mensen eigenaar zijn en vanuit de revenuen die het dividend meebrengt, is gewoon het feit dat je het als bedrijf goed doet en het ook geld uitkeert aan aandeelhouders waarvan je eigenlijk denkt van ja, die presteert echt helemaal niks. Die is klaar. Of het kunnen ook mensen zijn die ziek zijn. Mensen die ziek zijn die zie je twee jaar niet, maar die krijgen wel dividend. Dat is niet gekoppeld aan wel of niet verschijnen, letterlijk wel of niet presteren. Dus in een aantal gevallen zou je eigenlijk ook wel willen dat, uit een soort van verversing, mensen vertrekken, die dan eigenlijk nu lekker blijven zitten omdat ze 3000 euro netto op jaarbasis van aandelen krijgen.	
Firm 3	En het is de cultuur van de organisatie wat in belangrijke mate bepaald wat de kwaliteit van participatie is.	

Appendix 5: Interview transcripts

--- not included in the public version of the thesis ---

Appendix 6: Research Integrity Statement

Research Integrity Form - Master thesis

Name: Carlijn van Helmond	**Student number:** S4484673
RU e-mail address: c.vanhelmond@student.ru.nl	**Master specialisation:** Strategic Management

Thesis title: Employee Participation in the Strategic Process: A Benefit or a Burden?

Brief description of the study:
This research focuses on to what extent and how employee participation is related to the phases of the strategic process (which is the manner in which strategies come about). In order to answer the research question, a literature study was conducted, and a mixed method study has been carried out. The Cranet database of 2015 provided usable data to conduct a quantitative analysis. Moreover, five interviews were conducted for qualitative results.

Firstly, it has been theoretically motivated that often the strategic process is separated in strategy formulation, strategy implementation and a third outcome-phase, namely performance. In addition, it has been found that four forms of employee participation can be distinguished; communication in briefings, direct participation, indirect participation and financial participation. Additionally, this research confirms that having a developed strategy is positively related to organizational performance. Furthermore, financial- and direct employee participation practices are positively related to organizational performance. In short, a very important derivative of employee participation is the ownership-effect. Moreover, employee participation practices do not imply that employees literally take the strategic decisions, but it means that employees are able to deliver the necessary information that is needed to make the strategies successful(ly implemented). Employee participation leads to support for strategic decisions, which is in the implementation phase a necessary thing. Direct participation and communication in briefings are positively related to the strategic process.

It is my responsibility to follow the university's code of academic integrity and any relevant academic or professional guidelines in the conduct of my study. This includes:

- providing original work or proper use of references;
- providing appropriate information to all involved in my study;
- requesting informed consent from participants;
- transparency in the way data is processed and represented;
- ensuring confidentiality in the storage and use of data;

If there is any significant change in the question, design or conduct over the course of the research, I will complete another Research Integrity Form.

Breaches of the code of conduct with respect to academic integrity (as described / referred to in the thesis handbook) should and will be forwarded to the examination board. Acting contrary to the code of conduct can result in declaring the thesis invalid

Student's Signature: _____ **Date:** 10-07-2019