A 'GOOD EMPLOYER' PERCEPTIONS AND PRACTICE IN SMALL ENTERPRISES.

Deirdre Coetzee, Barry Foster & Ian Laird

Massey University, Palmerston North

Abstract

The research explored the concept of a 'good employer' pertaining to employment relations and occupational health and safety (OHS) in small enterprises (SE's). How perceptions, attitudes and beliefs of a 'good employer' were implemented in practice, were surveyed in a sample of SE's using a framework developed from the International Labour Organisation (ILO) socially Decent Work Index (DWI). The study retained the DWI's key dimensions: employment security, voice security, income security, skill reproduction security, and work security. However, measures of the key dimensions were broadened to capture the predominantly individualistic nature of employment relations in SE's. The employers' perceptions generally corresponded with the two dimensions of the 'good employer' prioritized by the ILO: employee voice and income security. In practice, there were instances of employees having input beyond operational matters. Nevertheless employers unilaterally determined pay and other terms and conditions of work. As for work security, the level of formal and informal policies and practices varied but employers who operated in higher OHS risk trade industries generally implemented comprehensive formal OHS management systems. It is argued that all it takes to be a 'good employer' is compliance with statutory employment minima. The employers in this study generally fulfilled this basic standard with some employers demonstrating higher levels of the characteristics that fitted with the dimensions associated with some large enterprises and the concept of a 'good employer' developed in the public sector. To accommodate space limitations, only brief summaries of the employer' perceptions, attitudes and beliefs of a 'good employer' and Work Security are provided. This paper focuses on the results concerning voice and income security.

Introduction

It is now widely accepted that small enterprises (SE's) are not small versions of large enterprises (LE's). The problem is that policy development and theory development is predominantly based on a large enterprise perspective. The main assumption is that SE employers' are paternalistic and favour an individualistic approach to managing the employment relationship and OHS risk (Atkinson & Curtis, 2004: McDonald, 2005; Wilkinson, 1999). This assumption is compatible with unitarist ideological beliefs and is a significant issue as the literature shows that the unitarist management norm to protect managerial prerogative prevails in New Zealand workplaces (Geare, Edgar & McAndrew, 2006, 2009), and specifically in Australian SMEs (McDonald, 2005). The available literature suggests there may be some tension between the unitarist employers' perceptions of a 'good employer' and the pluralist assumptions embedded in employment legislation. This study is based on the assumptions that employees in SE's generally have:

- shorter employee tenure (Guest & Conway, 1999),

- less pay and higher likelihood of non-permanent employment contracts (Guest & Conway, 1999),
- pay increase less common in SEs (Barrett & Mayson, 2007; Gilman, Edwards, Ram & Arrowsmith, 2002)
- less tangible terms and conditions of work offered to them (Barrett & Khan, 2005; Nadin & Cassell, 2007; Rainnie, 1989), including
- less formal training and development opportunities than employees in large enterprises (LEs) (Forth, Bewley & Bryson, 2006; Kotey & Slade, 2005)
  - less likelihood of access to work-life balance arrangements (Kersley, Alpin, Forth, Bryson, Bewley, Dix, et al, 2006; Yasbek, 2004),
  - less likelihood that employers will provide regular formal and systematic information, less likelihood owner/managers will inform them about financial matters (Forth, et al, 2006),

and that employers will be more reticent to commit themselves to consultative and partnership practices (McDonald, 2005; Ram, Edwards, Gilman & Arrowsmith, 2001),

- consequently employees in SEs have weak bargaining power and minimal union activity (McGovern, Smeaton & Hill, 2004; Rasmussen, 2009a)
  - a higher incidence of employment relations problems (ERPs) (Woodhams, Howard, Johri, Shulruf, & Yee 2007; Saridakis, Sen-Gupta, Edwards & Storey, 2008; Harris, 2000; Wilkinson, 1999), and

- higher risk of experiencing a workplace illness or injury because employment and OHS legislation are a low priority in many SMEs (Eakin, 1992; Lamm, 1999; Mayhew, 2000).

These assumptions suggest that SE's offer less favourable terms and conditions of work than LE's, yet satisfaction studies show employees are more satisfied in SEs than those in LE's (Considine & Callus, 2002; Forth, *et al*, 2006; Storey, Saridakis, Sen-Gupta, Edwards & Blackburn, 2010).

The concept of a 'good employer' in SE's

The concept has largely been developed in large organizations and the public sector. Nevertheless, the idea that a 'good employer' adopts responsible management practice is relevant in all enterprises. Although SE's in New Zealand may not always match the conditions of work in LE's, they are bound by numerous pieces of legislation related to the 'good employer' including, the Employment Relations Act 2000 (ERA), Health and Safety in Employment Act 1992 (HSEA), Human Rights Act 1993, Equal Pay Act 1972 and Modern Apprenticeship Training Act 2000 (New Zealand Human Rights Commission, 2006). Private sector employers are required to at least comply with statutory minimum standards, irrespective of whether they agree with the current statutory requirements. Acting as a model employer, the public sector is expected to go beyond mere compliance in their equal employment opportunity (EEO) policies (Boxall, 1991). It is, therefore, assumed that employment relations (ER) and occupational health and safety (OHS) policies and practices encapsulated in statutory minima will provide for the establishment, maintenance and promotion of continuous improvements to conditions of work considered socially decent by international and national standards.

While most of the key characteristics developed in the LE/public sector have been applied in SE research, there is still no agreement on the characteristics of socially decent work in the SE context. However, employee input or voice and pay have featured consistently in the

definitions of 'good employer' practice, and the International Labour Organization (ILO) gave primacy to the dimensions of income security and voice security on the basis that:

> *"Without reasonable income security, people lack freedom to make rational choices and be socially responsible. Without collective and individual voice, the vulnerable remain vulnerable" (Bonnet, Figueiredo, & Standing, 2003, p. 214).*

In addition, OHS is increasingly being included in SE definitions (Coetzer, Cameron, Lewis, Massey, & Harris, 2007; Lawrence, Collins, Pavlovich, & Arunachalam, 2006; Sengupta, Edwards & Tsai, 2009; Wiesner & McDonald, 2001). These social dimensions emerged as good employment relationships based on the inclusion of employee voice in all aspects of the business, as well as the integration of safety in all aspects of the workplace, open two-way communication, and prompt resolution of issues. These aspects were distinguishing features of Hull and Read's (2003) excellent workplaces. Storey, *et al* (2010) also captured the implicit expectations of the employment relationship in their Self-Reported Measure of Job Quality (SRJQ)[1] dimension regarding manager-worker experience, which encompasses perceptions of honesty, fairness, skill development opportunities (job security) and work-life balance (work security).

Method

The purpose of the research is to test these assumptions through a framework adapted from the ILO Decent Work Index (DWI) (Bonnet, *et al*, 2003; Standing, 1997) and the work carried out by Bewley (2006), Boxall (1991), and Hull and Read (2003). A social perspective is adopted for this study rather than an organizational perspective of a 'good employer'. Therefore, this study takes a qualitative approach to address this gap in the literature. Semi-structured interviews are conducted with 12 SE employers (three each from the construction, manufacturing, service and retail industry sectors) in an attempt to capture high and low OHS risk industries, as well as a range of unskilled to highly skilled jobs. The primary research question is: "What constitutes the concept of a 'good employer' in SE's in the Central North Island, New Zealand?"

The Workplace Employment Relations Survey 2004 (WERS) framework capturing many of the indicators of a 'good employer' is adapted to guide the data collection and initial analysis of the transcribed data. Thematic analysis is guided by Tolich and Davidson's (1999) and Silverman's (2010) recommendations allowing additional themes to emerge from the interview conversations. The themes are then explored through the adapted ILO dimensions of socially decent work at the workplace level (Bonnet, *et al*, 2003). The modified dimensions are:

- employment security (regular employment contracts, dismissal procedures, redundancy and structural change);
- voice security (employee input in operational decision-making, determination of pay and other terms and conditions of work, and the management of OHS risk);
- income security (recruitment, training and development opportunities);
- skill reproduction security (training and development opportunities); and
- work security (work-life balance, a safe and healthy work environment/legislation)

This study has several limitations; some are common to the qualitative research method while others are pertinent in SE studies. One of the main limitations is the subjective nature of the qualitative research paradigm, exposing it to researcher bias. Nevertheless, this approach is useful in uncovering the depth of the sensitive and complex concept of a 'good employer' in the SE context. Another significant limitation is that it is generally difficult to recruit SE employers as they have limited time and resources and a sensitive topic may act as a further deterrent. Other factors that may have influenced the context of this study and employers' perceptions and employment practices were: an international recession, and ER topics discussed in the media at the time of the interviews.

The results of the two open questions designed to gain insight into employers' attitudes and perceptions are briefly summarized below and in Table 1. The implemented ER and OHS practices are summarized in Table 3. However, because of space limitations, this paper will only focus on the results concerning the dimensions of income security and voice security given primacy by the ILO. Only the areas of Employment Security concerning voice are included.

Results: The employers' descriptions of a 'good employer'

The 12 employers were each asked to describe a 'good employer' in a SE and depending on the fullness of the response asked to elaborate or clarify one or more of the characteristics described. The employers mentioned 13 characteristics in total. Related themes were then grouped together into eight dominant perceived characteristics summarized in Table 1. The results revealed differences in the frequency characteristics were talked about, and highlighted industry similarities between the employers who included each characteristic in their initial description of a 'good employer.

Table 1: Summary of Results of SE Employers' Attitudes, Perceptions and Beliefs Concerning Good Employment Practice

	Small enterprises (*n*=12)				
	Construction (*n* = 3)	Manufacturing (*n = 3*)	Service (*n* = 3)	Retail (*n*=-3)	Total [a]
Promotes a collaborative culture	2	3	1	3	9 (75%)
Adopts fair and understanding employment practices	2	1	3	2	8 (67%)
Provides a good work environment	1	2	1	1	5 (42%)
Involves employees and efficiently resolves issues		1	2	1	4 (33%)
Provides job security and development opportunities		1	2	1	4 (33%)
Acts honestly and in good faith		1	1		2 (17%)
Accommodates flexibility	1			1	2 (17%)
Employs a diverse workforce	1				1(8%)

Note: [a] The percentage of employers citing a characteristic.

Employers generally perceived a 'good employer' as one who made a concerted effort to at least consider an employee's other commitments and, where possible, accommodated employees. A 'good employer' nurtured a positive culture and encouraged contented employees to work efficiently in a cohesive team to achieve a common goal. In some cases this encompassed health and safety. Fairness and understanding was typically described as a reciprocal arrangement between employers and employees and overlapped with talk of collaborative teamwork and industry boundaries that limit flexibility. Only a minority referred to employee involvement which varied widely from none to a high level of input.

There appeared to be three distinctive attitudes towards OHS. Employers who operated in high risk industries were managing risks and were not concerned about OHS,

those that had a high concern for OHS and were proactive, and those who had a low concern for OHS and expected workers to act responsibly. The results presented in Table 2 also suggest there may be some relationship between perceptions of a 'good employer' and concern for OHS as employers with a high commitment to OHS talked about 'adopts fair and understanding employment practices'. While those with a low concern for OHS typically mentioned 'promotes a collaborative culture'. Even though some perceived characteristics and practices supported an employer's obligations outlined under the ERA and/or the HSEA, these regulations were never mentioned.

Table 2: Summary of The Relationships Between Perceptions of a 'good employer' and Concern for OHS

	High concern/high commitment	Low concern/high commitment	Low concern/low commitment
Promotes a collaborative culture		3	4
Adopts fair and understanding employment practices	3	3	1
Provides a good work environment	2	1	1
Involves employees and efficiently resolves issues	1	1	2

Results: Common ER and OHS practices implemented in SEs

The scope of this study does not allow for comprehensive comparison between employers' perceptions and practice, however, the characteristics identified by the employers as those of a 'good employer' provide an indication of the managerial style, values and norms that influence the practices implemented in SE's.

The employers' responses to the two open ended questions guided the remainder of the conversation about working life in each SE. The results show a distinctive preference for an individualist approach to the employment relationship with employers striving for reciprocal collaborative employment relationships underpinned by fair, honest and understanding practices. How these 'good employer' perceptions, attitudes and beliefs were implemented in practice was explored through five dimensions of a 'good employer' adapted from the ILO's dimensions of decent work.

The employers' preferences for implementing informal and formal policies and practices are summarized by industry in Table 3. The table captures within and between industry similarities and differences in the implemented ER and OHS policies and practices.

Table 3: Summary of Results of Common ER and OHS Practices Implemented in SEs

	Small enterprises (*n* = 12)				
	Construction (*n* = 3)	Manufacturing (*n* = 3)	Service (*n* = 3)	Retail (*n* = 3)	Total
Sources of support with managing employees					
ER administration or management support role	1	2	2	1	6 (50%)
Seeks information from ER specialist (including EMA)	1	2	2	3	8 (67%)
Seeks information from the Department of Labour (DoL)	2		2		4 (33%)
Member of industry and/or business association	3	2	3	2	10 (83%)
Employment security					
Regular employment contracts	3	3	3	3	12 (100%)
Have used formal discipline procedures	3	2	3	3	11 (92%)
Notice of redundancy	2	1	3	1	7 (58%)
Redundancy last resort	1	1	2		4 (33%)
Have used restructuring to terminate employment	3	2			5 (42%)
Voice security					
Facilitate job autonomy	1	3	1	2	7 (58%)
Hierarchical communication structures	2	1	2	1	6 (50%)
Employees input in operational decision-making	1	3	3	3	10 (83%
Income security					
Informal recruitment	2	2	2	2	8 (67%)
Formal recruitment	1	3	2	1	7 (58%))
Recruit employees for fit and attitude	1	3		3	7 (58%)
Industry standard or higher pay	2	3	3	1	9 (75%)
Standard terms and conditions in IEAs	3	3	3	3	12 (100%)
Formal performance appraisal	2	1	3	3	9 (75%)
Establish employee satisfaction	2	3	2	3	10 (83%)
Skill reproduction security					
Provide training opportunity	3	3	3	3	12 (100%)
Provide development opportunity	1	3	1	3	8 (67%)
Work security: safe and healthy work environment					
Formal OHS policy and practices	3	1	2	2	8 (67%)
Informal OHS practices		2	1	1	4 (33%)
Hazard register	3	2	2	1	8 (67%)
Employee input (e.g. Toolbox meetings)	3	3	2	2	10 (83%)
OHS representative	2	1	2		5 (42%)
Emergency plan			3	2	5 (42%)
ACC Workplace Safety Discount accredited	2		1		3 (25%)

Voice security

Employee voice in the determination of pay and other terms and conditions of work

There was limited employee consultation in the negotiation of standard terms and conditions. Employees were usually given a copy of the employment agreement and an opportunity to seek advice before signing an employment agreement. There was also limited employee representation with only one employer mentioned an instance where an employee had raised a pay issue on behalf of the employees, which had led to a change in the standard Individual Employment Agreements (IEAs):

> *"It was one person that came forward. Well I mean, probably up here [in smoko room] probably having a bit of a moan and then one's come forward and spoken to me. I am only guessing but I would imagine that is what [happened]... I definitely think people are coming forward with anything that is bothering them, as far as I know I don't think. They certainly wouldn't be afraid to approach me." (Employer 12, service)*

Prospective employees were, however, free to either accept or reject the employer's offer. Employers who had difficulty attracting and retaining key skills were more open to negotiation compared with those operating in low-cost industries dependent on an unskilled or semi-skilled workforce. This response reflects the level of negotiation in a situation where the employer has difficulty attracting highly skilled employees from big cities:

> *"Yeah, there's not usually a lot of negotiation that goes on. Actually, it's more probably just the salary, or hourly rate, more than anything. We are as flexible as we can... We are happy to be flexible where we possibly can. I would like to be probably more flexible but then we only have a small workforce and so you can't be too flexible with that..." (Employer 4, manufacturing)*

In three instances employees had had some discussion and negotiation before agreeing to standard terms and conditions which were then used as a template for future employees. As this employer explained:

> *"We first had a contract. We went through it, discussed it with people, you know, and what about this, what about that? That's when we negotiated with all sorts of things and put it together. Now we have put it so that we can't be as flexible as we would like..." (Employer 10, retail)*

Employee voice in the management of OHS risk

Employee involvement in OHS

Employee involvement was generally *ad hoc* and informal, as well as at OHS meetings, site/toolbox meetings, and employees had some choice in personal protective equipment (PPE). Employers typically referred to:

> *"It wasn't just our health and safety policy, it was just how we documented it more. The fact that we did listen to the boys, and just different bits and pieces, and probably how far we had come in the few years." (Employer 3, construction)*

One employer talked about getting employees and contractors to sign off hazard check lists and, although this had resulted in a tick-box exercise the employer felt at least it acted as a reminder. Two employers were more proactively encouraging employee involvement with differing levels of success. Employer 9 had found employees embraced responsibility for attending to small repairs up to the value of $300. The other, Employer 12, was surprised and disappointed employees were reluctant to put forward ideas related to a reward scheme involving a $50 gift voucher for implemented OHS management suggestions:

> *"Well the last one we had, which on the face of it doesn't seem like a very good health and safety idea but is actually brilliant, was these slip-on covers for work boots that allow you to keep your work boots on but walk around in someone's house [so that you don't] lose the insulating properties but also you could drop your tools on your feet... A customer rang and was very impressed with them and I actually had a word in his ear and said 'Well maybe you should submit that as an idea' so he did. I think is a really good idea from a business point of view for impressing people." (Employer 12, service)*

OHS representative

The HSEA intention is to promote employee input and accountability to adopt safe work practices in order to reduce the rate of workplace accidents and injuries. SE's with less than 30 employees are not required to have an employee OHS representative unless employees request representation. Nevertheless, some form of employee involvement was expected based on the high level of concern and commitment to manage OHS risks. The study found four SE's had employee 'OHS representation' in the form of foremen, apprentices, a skilled trades-person attending regular OHS meetings on a rotational basis, or OHS administrator/co-ordinators. None of the operational staff had been sent on recognized OHS training courses, nevertheless, the employers in the high risk construction industry talked about comprehensive employee involvement on site:

> *"And we have a H&S Officer on every site. Normally we make that one of the young guys to make them feel like they are part of the process... And it also makes them take it a little more seriously. So they have to do inductions for anyone coming onto the site, and it can either be the*

foreman or the H&S Officer...” (Employer 1, construction)

The OHS administrator/coordinators employed in the two larger, well established SE's in the construction and service industries were responsible for making sure all compliance and monitoring tasks were up to date, such as hazard evaluation and control, registers, PPE, and OHS related training:

> *“My assistant, she's kind of the health and safety co-ordinator so she's sort of in charge of making sure all the things that have to be done regularly are done, the minutes for the meeting and then when we have a health and safety meeting it's myself, [assistant] ... and a representative from one of the guys.” (Employer 12, service)*

Income security

The two defining themes that emanated from talk about the type of terms and conditions included in the employment agreement and how much input employees have were a need to protect the employer and budget, and these themes were evident in the following statements:

> *“I got my employment contracts done up by my person... Look I understand where you are coming from. This is the reason why I have it. I have to protect my business...” (Employer 10, retail)*

In three situations where the employer had difficulty overcoming skills shortages remuneration tended to be market-based. One employer observed that his remuneration was market-based but that he would prefer it to be more performance based:

> *“...it needs to be more performance based. It really is market-based. We really need to be more focused on performance-based but it is difficult to do that. We don't have a lot of KPI's around that and we need to... So remuneration really is more market [based]. Some people are behind the market, some people are slightly ahead, but we are about where the market actually is.” (Employer 4, manufacturing)*

IEAs were commonly reviewed on an annual basis and a minority linked this to formal performance appraisals and/or job complexity. Employers stressed that review was not synonymous with a pay increase. The defining reason for reviewing and changing standard IEAs was to reflect legislative change. This was the most frequently cited reason for updating the IEA, reinforcing the employers' concerns for compliance. Employers typically reported:

> *“They have yearly reviews, or yearly performance reviews. Contracts are actually being reviewed at the moment. They are probably looked at every three years, the actual contract, and we are just*

changing them now to actually make it fairer...” (Employer 12, service)

Employment security

Regular employment contracts

All enterprises had written IEAs. The majority favoured using a standard employment agreement reflecting minor differences related to the position and pay. Employers typically stated that it was common practice for the employers to seek professional help with drawing up an IEA or at least have someone look over their template for a standard employment agreement:

> *“It is, I don't think you will find too much wrong. We would be fairly good, I would say... Any hassles, I absolutely use EMA on any questions I've got. If [part-time office administrator] and I have any doubts. ... The original one would have been downloaded from the EMA so to answer your question, yes [IEAs are similar]. They get modified occasionally when there are changes in the standard”. (Employer 5, manufacturing)*

Dismissal procedures - discipline procedures and resolving disputes

The employers tried to reduce the incidence and level of dissent with careful recruitment and performance management. Employers were generally very cautious managing conflict, demonstrated in a tendency to seek help in drawing up the employment agreement, and/or managing a specific issue. Eleven employers documented communication structures, performance management procedures, discipline procedures and termination procedures in IEAs. This employer's talk about taking care to remind employees of their rights was compatible with the preference to have highly standardized employment relationships:

> *“...we talked to him about it over and over and things just didn't seem to get any better. So in the end we felt the only way to get any action was to write him a letter, follow all the correct protocol and have a meeting with him. We basically listed the accusations, if you like, or the issues; invited him to bring a support person, and just said you know the outcome of the meeting could be a written warning.” (Employer 12, service)*

Mismanaging conflict could be very costly for the SE through both direct financial costs and indirect loss of reputation. This may be a reason why employers were concerned about the ERA. When asked how they manage personnel issues, the employers typically referred to the legislation saying:

> *“...more difficult in a sense because the law surrounding the situation; you have to be very careful with what we do.” (Employer 6, service)*

The findings showed industry differences in procedures utilized to resolve issues. Verbal warnings sufficed in the retail and service industries. Whereas, the construction and manufacturing industries often adopted more stringent action: one employer had a verbal warning in place, another an active written warning and three had dismissed employees. Four construction and manufacturing employers believed restructuring was a good way to avoid disputes when terminating an employment relationship. These employers typically described conflicting expectations as:

"We did a restructure...and basically I shouldn't pre-judge it, restructure you know, but the outcome I decided was I did not want him working for me." (Employer 5, manufacturing)

Redundancy and structural change – genuine consultation

It has been noted above in the employers' descriptions that many of the employers were making an effort to keep employees informed of the general state of the business and that they have a duty to do so under the ERA. Redundancy is one of the most common types of Employment Relations Problem (ERPs) and one of the most common justifications for lodging a personal grievance. If individual employees were affected, meetings were held, and in two cases employees had been given an opportunity to help avert redundancies. The redundancy had been averted in the one instance, but in the case of the smaller SE the employer noted the employee was looking for alternative work:

"I'm looking at downsizing ... They all know because we will always talk about the work ahead. We are a small enough business that we don't try and keep many secrets. We gave a letter to a guy this morning. He's got till next week to come to me with some suggestions otherwise we are going to restructure the company and lay him off."(Employer 8, construction)

Six referred to the '90 day trial period' or flexibility featured prominently in the media at the time the interviews were conducted, typically saying:

"...you have a couple potentially holding you back, they really need to move on. And under the current employment laws, that's difficult, you know. It really is, and I would like to see a lot more flexibility in those labour laws. You know, I think they've gone way too far. They need to come back and be a bit more moderate". (Employer 4, manufacturing).

Construction workers had little influence, rather strict industry codes and enterprise standards restricted the input tradespeople had in the way work was done. Employers in the construction industry had the strongest focus on compliance with OHS regulations and safe work practices. Employers commonly asserted that building methods and site conditions influenced the flexibility to make operational decisions and foremen were accountable for maintaining standards on site:

"So they are basically on site by themselves so, yes, they do have a little bit of input as to how they do things on site. But to be fair, it is normally the site conditions that determine how things are done... But generally there is not a lot they can deviate from the methodology of building." (Employer 8, construction)

Work security

Work-life balance

Although only two employers included provision of flexible work arrangement as characteristic of a good employer the majority of employers demonstrated their concern for understanding employees' interests by accommodating employees' non-work commitments. The employers typically talked about being familiar with their employees' families and of being considerate about personal issues. Some even supported sports teams and included family members in social events.

Flexible hours of work were also accommodated where this was possible but this was particularly difficult in some of the SE's because employees were part of a construction/manufacturing team or had to provide a service for customers between specific hours. The manufacturing employers talked about employees having had collective input in changes to the hours of work. The construction employers reported employees being less likely to select their hours of work or job share. Study opportunities were available to apprentices and employees in the property and business services.

A safe and healthy work environment

A good work environment was perceived as one where happy employees worked effectively in a cohesive team to achieve the common goal. Some of the common ER practices implemented to achieve this are reported above. The other characteristic of decent work is a safe and healthy work environment.

When it came to the assessment of risk, eight employers reported a high concern for OHS when asked whether OHS was a concern. The four employers in SEs where employees worked on sites other than the employer's workplace reported high concern for OHS related to the fact that hazards were different on each site. Some employers reported a low concern for OHS because they were confident they complied with their duties under the HSEA to provide and maintain and healthy working environment by taking all practicable steps to eliminate, isolate and/or minimize significant hazards. Four of the five employers who perceived 'provides a good work environment' as a good employment practice implemented comprehensive formal and/or informal OHS management systems in the SE.

Conclusion

Overall the results show a distinctive preference for an individualist approach and an urge to comply with legislative minimum employment standards. However, the individualist approach and compliance was influenced by size, industry and OHS risk.

Daily interactions were generally conducted on an informal basis. However, the employment relationship was guided by a structured framework setting out clear expectations for employee behaviours. All the SE's had comprehensive written IEAs, usually including procedures for performance management, termination of employment and personal grievances. The high risk SE's usually included OHS policy in the IEA. The majority of employers used a template to draw up their standard IEA and/or consulted an employment specialist to protect their business and to ensure they were compliant with employment law. Employing 10 or more employees tended to precipitate enlisting part-time or full-time assistance.

There was no union representation and downward communication dominated. Employees tended to have minimal input in determining the terms and conditions of work but in some instances had input in drawing up the initial standard IEAs. Employees generally had modest influence in operational decision-making and the management of OHS risks mediated by size, industry and risk. Overall, employers retained control over decision-making. Employers appeared to be considering employees needs, however, availability of formal flexible working arrangements was generally governed by type of industry, size and type of role.

There was typically a high concern for efficient OHS management. Motivators to implement formal OHS policies and practices were compliance with the HSEA, age of business, to protect employees and customers, financial loss caused by lost time injuries, and supply chain pressure. There were industry differences with higher risk industries tending to implement more formal policies and practices and employee involvement in hazard management. Some employers raised concern about the fairness of having to shoulder the major responsibility for the safety of employees and others.

On the whole employers were careful to comply with the current employment legislation even if they believed it did not always accommodate SE's. This research prompted several employers to review their current ER and OHS policies and practices. Some reported they would make adjustments in the future. As employees were not included in this study the employee turnover rates are used as a broad indication of employee satisfaction with the pay and other terms and conditions of work.

Note

1. Storey, *et al* (2010) used 22 items (from the WERS 2004) in their employee SRJQ to link HR formality with employee job quality.

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