WORKPLACE DISPUTE RESOLUTION AND QUALITY OF WORK LIFE: THE WORKER CO-OPERATIVE ALTERNATIVE*

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ABSTRACT

This article provides a concise comparison of matched pairs of conventional and worker-owned co-operative organizations operating in three industries—coal mining, taxicab driving, and organic food distribution. Like self-help groups, worker co-operatives try to minimize hierarchy in order to maximize the power and dignity of the workers involved. Specifically, this article examines workplace dispute resolution, a key factor in the quality of work life, and the alternative of more egalitarian, self-managed workplaces. While we think of such workplaces as being a benefit of certain professional firms, all co-operative workplaces studied here involved mostly positions that required no college education. Nevertheless, members of these co-operatives worked together to create economically stable workplaces with the same or better wages than that of comparable organizations, yet also with a greater quality of work life.

Key Words: worker co-operatives, cooperatives, dispute resolution, power, hierarchy, employee, coal mining, taxicabs, whole foods

Worker co-operatives offer an alternative to conventional organizational structure and ownership—instead of being substantially hierarchical and owned by outside share holders or owned privately, worker co-operatives are organized with very flat hierarchies of supervision and are owned by their members. Worker co-operatives, however, are very controversial. Critics caution that worker co-operatives might not be sustainable in competitive markets, possibly being less efficient and less likely to succeed as organizations. However, others say that if these businesses do struggle into existence and succeed, their workers might enjoy such benefits as greater respect and recognition and less labor-management conflict (e.g., Hochner, Granrose, Goode, Simon, & Appelbaum, 1988). Some literature on worker co-operatives suggests that evenly distributed power and greater worker participation should produce workers who are very able to assert their needs and raise necessary grievances. Scholars who study grievance behavior research—but not co-operatives per se—assert that greater trust and shared goals among workers and worker-managers should facilitate easier and more successful dispute resolution (e.g., Tjosvold, Morishima, & Belsheim, 1999).

This study examines worker co-operatives in three industries—coal mining, taxicab driving, and whole foods distribution. Each co-operative was paired with a conventional business that was matched for size, industry, and gender/racial composition. This study uses the comparative case method to examine 128 qualitative interviews.

Since how disputes are resolved is often a key factor in the quality of work life, this study focuses on how workers in the co-operative and hierarchical workplaces address their disputes. Although this study does not find a worker co-operative impact *across* industries—for example, I did not find that all worker co-operative members easily resolved disputes, while all conventional business employees had greater difficulty—I did find a worker co-operative effect *within* each industry. Specifically, I found that, when comparing workers within each industry, the members of the worker co-operatives had more ways to resolve workplace disputes than their conventionally employed counterparts in the same industry.

THEORETICAL CONTEXT AND PREVIOUS RESEARCH

Workplace grievance resolution has been studied by numerous disciplines—including sociology, industrial and organizational (I/O) psychology, human resource management (HRM), and industrial relations. Some literature suggests that, by equalizing power, many difficulties of workplace grievance resolution—such as accessibility and mobilization—might be successfully resolved. Other literature rejects this possibility, implying that redistribution of power is not sufficient to circumvent fundamental problems of grievance resolution. Other theorists assert that worker co-operatives are simply not viable, robust business alternatives. Worker co-operatives offer a type of organization that experiments

with all of these theories. As collectively owned, flattened hierarchies, they minimize official power inequities and share profits among workers rather than outside shareholders. Through egalitarian ideologies, these workplaces attempt to equalize unofficial power. By focusing on mutual trust, cooperation, and worker empowerment, they endeavor to create a different type of organization.

Hierarchy and Co-Operatives

Many eminent social scientists—both current and classical—have asserted that the operation of an organization without a hierarchy would be "utopian" and impossible to achieve in modern society (Weber, 1946, p. 27), because this would require radical structural changes, not merely alterations in the distribution of power (Rothschild & Whitt, 1986). Moreover, the absence of hierarchy would be utopian because of its strong link to bureaucracy, a link which Weber, a founder of sociology, holds is inevitable in modern society, providing the organization with the legitimacy and greater efficiency necessary for capitalism (Weber, 1946). Another important sociologist, Michels, also doubted the possibility of large-scale, nonhierarchical organizations (Michels, 1981, pp. 38, 43). His famous statement: "Who says organization, says oligarchy" (Michels, 1981, p. 49), vehemently expresses the classical disbelief in collective management.

Many social scientists assume Michels's "Iron Law of Oligarchy" as a given in their research, and so few explore organizations where hierarchy and oligarchy may not be as present. Even those studies that have addressed hierarchy conclude that hierarchy is unavoidable. For example, in their well-known 1956 study of a democratic labor union, the International Typographers' Union, Lipset, Trow, and Coleman argue that hierarchy is necessary (Lipset, Trow, & Coleman, 1956, p. 361). In other research, scholars, such as Hannan and Freeman (1989), suggest that the likelihood of success is diminished if an organization operates without a hierarchical structure, although they, too, do not identify hierarchy specifically. They argue that the possibility of structural innovations may cause a loss of technical efficiency and may create costs in legitimacy for the organization with regard to its institutional environment (Hannan & Freeman, 1989). Nevertheless, people in many different industries have formed worker co-operatives around the world (Rothschild & Whitt, 1986).

Co-Operatives and Dispute Resolution

As mentioned above, dispute resolution is a key issue in quality of work life for employees. Research in hierarchical, conventional organizations demonstrates that individuals who bring grievances in their workplace institutions often face the significant disadvantage of being parties with few or no other experiences with the formal grievance procedure at hand. The opponent, the management, is likely to have past and possibly on-going experience with the arena (Galanter, 1974). Indeed, even when an organization experiences turnover

among its managers, the institutional memory and collective experience of the remaining managers still gives the management side of any grievance an advantage—a structural advantage, not an advantage linked to individual managers' personal abilities. Thus, management has an idea of what to expect and how to plan and strategize to maximize any possible advantage (Galanter, 1974). One key reason Bumiller, in her research on workplace grievances, explains why the people in her study did not pursue their claims is that they "legitimized their own defeat" (Bumiller, 1988, p. 29). Many did this by characterizing the struggle against perpetrators as "unwinnable" and "me against the corporation" (Bumiller, 1988, p. 52).

Dispute resolution in worker co-operatives might be free of many of these obstacles (e.g., Hochner et al., 1988; Hoffmann, 2001; Rothschild & Whitt, 1986; Tjosvold et al., 1999; Tucker, 1999; Whyte, Hammer, Meek, Nelson, & Stern, 1983). For example, because the co-operatives emphasize equality and attempt to empower workers, they might not see their cause as "unwinnable," as Bumiller's subjects did. Many of the typical worker-management struggles might be eliminated (Hochner et al., 1988; Tjosvold et al., 1999). Alternatively, members of co-operatives might be even more susceptible to abandoning their grievances in the belief of a paternalistic benevolence on the part of the co-operative or fellow workers (Rothschild & Whitt, 1986; Tucker, 1999). Additionally, the co-operative itself might retain its structural advantages (Galanter, 1974).

Thus, co-operatives see themselves as organizations operating without Weber's assumption of domination in that no one person or select group holds all authority (Rothschild & Whitt, 1986, p. 52). Thus, they assert that many of the barriers to raising grievances should be greatly lessened, if not altogether absent, in worker co-operatives (Cornforth, Thomas, Lewis, & Spear, 1988; Thornley, 1981). Because all workers are owners of the business, each should be empowered to assert her/his needs without the fear of having to face any "tyrannical power" or of her/his struggle being "unwinnable."

Some researchers emphasize that interest-based, rather than rights-focused, bargaining significantly increases successful grievance handling (Brett & Goldberg, 1983, in Tjosvold et al., 1999). One way interest-based bargaining occurs when both sides see themselves "on the same side" and working toward the same goals (Tjosvold et al., 1999). The co-operative structure and ideology should enable the members to raise issues and concerns, even unpopular ones (Hochner et al., 1988; Hoffman, 2005). Linehan argues that "(b)y participating in co-operatives, workers acquire new skills in organization and in self-management. Together they achieve what none of them could do alone. In this way, workers' cooperation allows people an opportunity to gain self-confidence and become more self-reliant" (Linehan & Tucker, 1983, p. 18). The reduced reliance on control in worker co-operatives allows for greater worker initiative and for team cooperation in problem-solving (Putterman, 1982, p. 147).

Realism and Financial Success

However, even if worker co-operatives achieve many more workplace benefits for their members, for these to be real possibilities, the co-operatives must be sufficiently financially sound and economically viable. Commitment to co-operative management and ownership must be matched with a similar commitment to being a stable business (Cowling, 1943; Rock, 1991). This delicate balance is often difficult to achieve.

Unlike conventional businesses which view their services and products merely as the essentials of the profit-making process rather than as ends in themselves, worker co-operatives, ideally, produce goods and services to benefit both those who use them as well as those who produce them. For this reason, many production worker co-operatives have refused to make goods that are not ecologically sound or are war-related materials (Linehan & Tucker, 1983). Also, market pressures can exacerbate tensions between the co-operative's goals of self-management and the need to survive economically in a competitive economy. In addition, being a member of a worker co-operative places great time demands on individuals beyond their working hours. The hours demanded for committee meetings, self-education, and decision-making place additional burdens on workers' time. Moreover, some have questioned whether co-operatives can offer competitive wages while still remaining financially stable Linehan & Tucker, 1983).

Nevertheless, this article will demonstrate that worker co-operatives can be financially stable, long-term businesses that provide wages that are at or above those offered by comparative businesses. Even while functioning as successful businesses, these co-operatives also provide an improved quality of work life for their members.

SAMPLING AND METHODS

In this study, I used the comparative case method to explore dispute resolution strategies and attitudes (Ragin, 1987). I interviewed and observed workers in three industries: coal mining, taxicab driving, and organic food distribution. Within each industry, I studied a worker co-operative and a matched conventional business. The industries in this study offered a range of workplace cultures, gender balances, and business objectives. I visited each business twice, observing as well as interviewing workers and achieving variation in interviewees on many dimensions. The duration of the visits ranged from a few days to 2 weeks.

Over a period of 3 years, I conducted a total of 128 interviews: 18 at HealthBite Distributors, 35 at Organix Coop, 14 at Private Taxi, 20 at Co-op Cab, and 41 at Coal Co-operative/Valley Colliery. (Coal Co-operative and Valley Colliery were the same physical mine, but under different ownership and management systems, as explained below.) For each site, Table 1 provides summary statistics on the

Table 1. Summary of Sites and Interviewees

	Industry	Type of organization	Location	Number of workers	Number interviewed
Valley Colliery	Coal mine	Conventional	Wales (UK)	252	38** (15%)
Coal Co-operative	Coal mine	Worker co-operative	Wales (UK)	239	41** (17%)
Private Taxi	Taxicab driving	Conventional	Wisconsin (U.S.)	120	14 (12%)
Co-op Cab	Taxicab driving	Worker co-operative	Wisconsin (U.S.)	150	20 (13%)
HealthBite Distributors	Organic food	Conventional	London (UK)	32	18 (56%)
Organix Coop	Organic food	Worker co-operative	Halifax (UK)	50	35 (70%)

interviewees as well as on the organizations themselves. I did not identify a specific group of workers whom I knew to have had "disputes," but spoke to all interviewees about their workplace experiences generally. I interviewed a wide variety of workers to maximize the range of problems and experiences as well as the variety of solutions and expectations to be included in this study. My sample included present and former employees as well as managers and worker-managers. Interviewees also differed in terms of length of employment, sex, race, age, level of education, socioeconomic status, and section of the particular business. I am confident that my findings are well triangulated and valid because: (a) the interviewees repeated similar themes, voicing comparable statements as earlier interviewees, indicating that the data collection had reached a point of having gathered all perspectives; and (b) I had carefully sampled the workers, ensuring that the study included many different types of workers, and, hence, captured all possible perspectives. Although these interviewees are not statistically representative of all the workers at their individual organizations, the diversity of this sample is helpful in developing conceptual models.

One of the key benefits of qualitative studies is the high validity possible: the researcher can understand the greater context, obtain a large overview, and can triangulate the accounts of differently situated interviewees with various bases of knowledge. I employed a qualitative comparative case method (Ragin, 1987) to study three very different industries, each with one co-operative and one

conventional organization. In gathering data for this study, I: interviewed workers; observed behavior; read related documents and articles; attended companies' business meetings and, when possible, grievance hearings; and participated in aspects of some businesses (e.g., went down into the coal pit, rode along in the taxicabs).

All interviews and most site observations were tape-recorded and transcribed, so all quotes used here are direct quotes. These data were analyzed using the qualitative data software NUD*IST Vivo, often referred to only as NVivo. NUD*IST is the acronym of Non-numerical, Unstructured Data: Indexing, Searching, and Theorizing. NUD*IST Vivo is the most recent version of this software program from Sage. Using NVivo, I began by coding the transcribed interviews for various themes. Some of these themes were responses to explicit questions (e.g., "In what ways is your job difficult?"). However, many others were extracted from the responses of interviewees to broader questions (e.g., "How would you describe your job?" "How would you recommend/criticize your job to another worker in the same industry?" "What would you change about your job if you could just snap your fingers and it would be different?") or to follow up questions to other responses. Thus, a portion of the codes were not the result of a direct question or set of questions, but were produced by careful analysis of interviewees' responses to various questions, as facilitated by using NVivo.

The interviewees were drawn from six worksites in three industries:

1. coal mining;
2. taxicab driving; and
3. organic food distribution.

The industries ranged from the coal mining industry where the workers are very pro-union, to the non-conformist- or loner-oriented taxicab industry, and the progressively-oriented organic food industry. The industries also ranged from having a predominantly male workplace culture, such as coal mining, to being less explicitly gendered, such as the organic food industry. These differences in workplace culture are somewhat reflected in the industries' different gender balances: 50:1 men to women at the coal mines, 5:1 in taxi driving, and 1:1 in organic food. Table 1 provides a summary of the organizational attributes of each business.

All businesses in this study met several key criteria. First, the company needed to have a formal system for grievance resolution. Second, it had to be sufficiently large that a formal grievance system was necessary; for this study, the minimum size of an organization was 30 workers. Third, each business had to be a stable organization with established procedures; none was less than 2 years old. Fourth, no organization could be part of a larger organization. Additionally, each cooperative included in the study had to be a true worker cooperative—with all employees being equal shareholders and no outside shareholders—not merely an Employee Stock Option Plan (ESOP) company.

Within each industry, I compared a worker co-operative (non-hierarchical workplace in which all workers are co-managers and co-owners) to a conventional, hierarchical business. The sets of co-operative and conventional businesses were matched by being in the same industry and as close to the same geographic area as possible. I also matched them in terms of size and the ratios of male to female workers in their organizations. The coal mining and organic food distribution were studied in the United Kingdom (UK); the taxicab industry was studied in the United States (U.S.). Because these two cultures are sufficiently similar, no cross-cultural comparison is included in this study. Admittedly, people are more class-conscious in the UK, but fundamental disputing culture, as seen in the two legal systems, is sufficiently similar (Wheeler, Klaas, & Rojot, 1994).

The businesses are summarized in Table 1. I looked at two organic food distributors: Organix Coop, a worker co-operative located in the mid-North of England; and HealthBite, a conventional business located near London. As organic food distributors only, they produce no products of their own. While some workers in the industry describe the attraction of these jobs as simply the need for a paycheck, others spoke of their dedication to the organic and whole food movement and saw the jobs as a type of activism. Organix Coop was begun 35 years ago by progressive college students who wanted to create a better, healthier, more egalitarian work environment. Workers at Organix Coop became members after completing a probationary period and being voted into membership by the current members. Once they became members, they received their part of the company's profits, as well as wages, and became "vested" in the company, with each worker owning a single share of stock, regardless of tenure. When they left the co-operative, they would have to sell their share back to the company, generating a type of severance pay. I selected HealthBite Distributors for this study because it was similar to Organix Coop in many ways, including the gender and racial balance of its workforce, the hours of the business, and the business's focus. HealthBite was formed when two individually-owned organic wholesale businesses merged in the early 1990s. One acted as more of a wholesale warehouse store; the other mainly as a distributor to individual homes and organizations. Today, HealthBite is primarily a distribution company, although individuals can come to the warehouse and buy off the skids. These two owners, now partners, share the management of the business in the new London location.

Both the conventional taxicab company (Private Taxi) and the co-operative taxicab company (Co-op Cab) are located in the same Midwestern town, whose alias is Prairieville. Co-op Cab was begun over 30 years ago by cab drivers who were out of work due to strikes at two of the city's main taxicab companies. Possibly affected by its location in a Big Ten university town, known for its progressive politics (both cab companies reputably had "overly-educated" drivers, often with advanced, even doctoral, degrees (Langway, 1997)), Co-op Cab embraced the worker co-operative ideology in trying to create a better workplace, although not as strongly, uniformly, or dogmatically as Organix Coop

above. Workers at the co-operative, Co-op Cab, became members once they had successfully completed a probationary period as determined by the membership committee. Once members, they shared in the profits of the company in addition to their wages.

Finally, Valley Colliery and Coal Co-operative were "deep-pit" mines, meaning deep underground mining, as opposed to strip mining. The two coal mines in this study were actually the same physical mine under two very different systems of ownership and management, with interviews for both companies conducted several years after the re-opening of the mine as a co-operative. The alias "Valley Colliery" refers to this mine when it was nationally owned by the British Coal Board, while "Coal Co-operative" refers to the mine once it became a worker co-operative. This mine, located in Wales, UK, was the last deep pit in Wales and one of the few left in the UK. As such, employment at the mine—both when it was still part of British Coal and after it became a worker co-operative—held important cultural significance for the miners, who deeply identified with the mining occupation. When the mine re-opened as a co-operative in 1995, workers had to become members before they could begin work at the mine. Each worker had to buy a single share of the co-operative at approximately $13,000. As with the other two co-operatives, this share entitled the member to profit sharing as well as wages. When the worker left the coop, this share would be bought back by the company. The co-operative mine closed in 2008.

FINDINGS

Dispute Resolution

When comparing each matched set of businesses (one co-operative to one conventional, hierarchical business) within each industry, a clear pattern emerges. Workers in the co-operatives had more dispute resolution strategies at their disposal. In each industry, members of the worker co-operatives described more dispute resolution options than their counterparts in the conventional, hierarchical company. While co-op members often described having both formal and informal strategies at their disposal, their conventionally employed counterparts often mentioned only either formal or informal means. Additionally, employees in the more hierarchical businesses were more likely to simply adopt coping mechanisms ("toleration") rather than raise their grievances either formally or informally. In Table 2, I summarize the percentage of workers at each business who discussed each dispute resolution strategy.

Below, I describe how this dynamic existed within each industry. I will discuss formal and informal processes together since they both are strategies for directly addressing the problems in the workplace. I will discuss toleration last, and separately, since toleration could be understood as merely a coping strategy, rather than a means for actually resolving disputes.

Table 2. Percentage of Workers Who Described Each
Dispute Resolution Strategy[a]

	Formal processes[b]	Informal processes	Toleration
Valley Colliery	90%	3%	11%
Coal Co-operative	46%	92%	2%
Private Taxi	14%	43%	36%
Co-op Cab	55%	60%	5%
HealthBite Distributors	0%	56%	61%
Organix Coop	74%	69%	29%

[a]Percentages sum to greater than 100% because the categories are not exclusive; some interviewees mentioned more than one grievance resolution strategy.

[b]A "no response" category does not exist. All interviewees provided at least one strategy (formal processing, informal processing, toleration, or exit) that they anticipated trying to address workplace problems.

Formal and Informal Processes

Coal Mining

Miners in the more hierarchical mine, Valley Colliery, resolved grievances formally, saying that informal means were ineffective. Many Valley Colliery employees, such as the one quoted below, explained that raising formal grievances was their only avenue because managers refused to engage in any informal grievance resolution. One of the control room workers explained how relations between managers and workers were so strained that informal negotiation was difficult and unlikely:

> The manager used to come down and he wouldn't talk to you. He'd probably tell somebody else who would tell you to do something. They felt they were some super human! We were down there and they were up at the top like. It was all, "Do this!" You know? They *tell* you rather than ask you. There was no talking to them. [094]

Another Valley Colliery miner explained that the response to a dispute could be a walk-out by the miners or a lock-out by the management—both extreme forms of formal action and exercises in official power.

> [If we had that dispute], we'd probably be going home. That was their attitude: if [Valley management] couldn't have their own way, they'd send the men home.

So they would close the mine down?

Yes. Or we would take the decision down ourselves and go home. [050]

Indeed, formal action, whether on the part of the employees or the management, was the only way that disputes were addressed.

In contrast, the members of the worker co-operative coal mine, Coal Co-operative, spoke of their ability to resolve grievances both through informal means and through formal grievance procedures. Many issues that had been dealt with only formally before the conversion to a co-operative could now be handled informally. One miner who had been at the mine for 7 years before the worker buy-out provided this recent example of informal grievance resolution:

It was about a disagreement over work that was left for the weekend that I didn't think was satisfactory. I channeled it through my foreman who didn't agree with me. So I then took it to the manager and put my case forward. Obviously, he's had a word with my foreman and I sorted it out with the foreman anyway since. If you don't bring the point up, it'll just keep on happening. You find most people around here are like that now. They've got their idea, and they put the better idea forward. [153]

The availability of informal means did not mean that the formal procedures were abandoned. In fact, formal grievance procedures were also used at Coal Co-operative. One electrician, for example, spoke of how issues that would have been deemed not sufficiently important or inappropriate to bring as a formal grievance when the mine was run by British Coal were acceptable to be raised in the co-operative. He described a formal grievance brought soon after the mine reopened as a co-operative: a grievance about the toilet paper.

Another thing they wanted changed when we came back as a co-operative was the toilet paper. The toilet paper [the miners used], they were the old government bloody thick paper. A simple thing like that. And the managers, under British Coal, their toilets up there, they had the soft, bloody soft, pink paper. The things like that. Silly little things. But it matters. It says, "I'm no better than that manager over there and he's no better than me." [129]

Safety concerns, also, continued to be a key area where workers filed formal grievances. Certain safety risks, if left unattended, could lead to injury, death, or economic loss for the mine.

Taxicab Driving

In contrast to the coal industry—in which the workers in the conventional business could resolve grievances formally but not informally, while those in the co-operative mine could raise disputes both formerly and informally—workers in the more conventional taxicab company, Private Taxi, reported that they could raise some disputes informally, but rarely found formal procedures to be a satisfactory dispute-resolution strategy. A Private Taxi driver explained that

employees would try whatever means they could, with whomever they could, when they attempted to resolve grievances informally.

> Everyone goes to whoever they think they're gonna get some satisfaction from. If someone has a good relationship with [the owner], then they'll probably go to [him] and see what they can do. If someone has a good relationship with [the manager], at this point in time, they'll go to [him] to see what they can do. In some cases, people will go to the dispatcher and say, "Hey, you know, listen, I got this problem with this guy that's doing this other shift, and I feel like he's screwed me over. Or whatever." [063]

Each employee at Private Taxi had to negotiate on his or her own, seeking informal resolution without predictable outcomes. Often, this dynamic led many employees to simply learn to tolerate problems, rather than attempting either formal or informal resolution, as discussed later.

While the Private Taxi workers had barely one means of resolving grievances, the members at Co-op Cab had two. These co-op members described using both formal and informal means to resolving workplace disputes. Many members explained that a key advantage of a worker co-operative was that formal grievances were more socially acceptable and easier to raise. For example, a woman who had been at Co-op Cab for about 2 years said:

> People aren't afraid to bring grievances if they feel they've got one. We're encouraged to use the Workers' Council if we feel that we have a grievance. . . . I think there's a sort of a sense that there's very few jobs where you have that opportunity, so make the most of it. [128]

The following quote from a driver and dispatcher who had worked at Co-op Cab for about 6 years explained that, since he had never had a dispute that he couldn't resolve informally, he never had had the need to use the formal grievance procedures.

> I guess my first priority interpersonally, if I had a problem with another employee, would be to work it out with them. If I couldn't work it out with them I would be in a new kind of situation. I've usually been able to work it out. [148]

Some Co-op Cab members preferred informal means, such as this man, while others focused on formal dispute resolution strategy, such as the woman quoted above (see Hoffmann, 2004, 2005, for a detailed discussion of this dynamic at Co-op Cab).

Food Distribution

Members of Organix Co-op also talked about both formal and informal dispute resolution strategies. For example, one worker described a recent formal grievance:

[It's] just a difference of opinion in some cases. If somebody has just purely a difference of opinion on whatever it might be. That can sometimes turn nasty and can end up being taken to grievance.

When you say, 'Turn nasty' what do you mean?

Well, just maybe each other's working practices are. . . I can't think of an example. . . Oh, one taken to grievance was over machinery, the way somebody operated machinery and the person didn't agree with [that person's] working practice. [125]

Others preferred resolving disputes through informal routes, as this long-time member from Organix Coop explained:

I tend not to go to the meetings. I like to chat things up in the pub. That's just the way I like to do it. [007]

Some workers who did feel able to resolve disputes well formally, expressed a preference for the informal route.

At HealthBite, most workers felt that neither formal nor informal options were promising. This finding at HealthBite is similar to that of the hierarchical taxicab company, Private Taxi, where most employees anticipated informal dispute resolution options. In fact, the employees at HealthBite relied even more exclusively on informal routes, with no one anticipating using the formal dispute mechanisms that were available at the company. Indeed, the formal procedures were not an option that many considered, and those who did consider it thought it was not a worthwhile path. For example, one worker from HealthBite mentioned the formal grievance procedures, but emphasizes his belief that this route is ineffective.

We've got a complaint procedure we go to if we got a complaint about something or anything like that. They *try* and solve it. But, really, we're on our own. [086]

This quotation, representative of others, expresses that, in practice, employees at HealthBite were left to their own informal strategies if they were going to try to resolve problems.

One senior woman from HealthBite explained how she engaged in informal grievance resolution on behalf of other workers as well as herself.

I'm the strong character, so I pretty much stand up for myself. . . . There've been occasions when there've been female members here on some occasions when they felt that there've been injustices and they've come to me. And I've sort of pushed on their behalf because I've worked more closely with [the two owners] and maybe I know them better than some of the other staff. And maybe the staff feel they can't approach the directors or they're not sure how they'll take something or whatever. So I'll quite happily go in there with them or go in there on their behalf and say "So-and-so is not happy with this," [or] "They feel that they should be on a higher rate because of that." [143]

As the quote above indicates, many employees felt unable to raise any grievances—either formally or informally. These workers would often choose to develop ways of coping with their problems at work, instead of attempting to resolving them formally or informally. This is discussed in the following section.

Toleration

Toleration was another way that workers handled disputes. In that "toleration strategies" did not involve actually addressing the disputes at hand, they technically are not "dispute resolution strategies." Nevertheless, these toleration strategies did provide ways that the workers would be able cope with the various problems without having to leave their workplaces. (For a discussion of the decision to exit, see Hoffman, 2006.) Sometimes workers' toleration strategies involved simply saying nothing and swallowing their aggravation, while other times workers who engaged in toleration voiced their frustration, but only to uninvolved co-workers. In each industry, employees at the more hierarchical businesses were more likely to talk about dispute strategies that involved toleration (see Table 2).

Taxicab Driving

Frequently frustrated with past tries at resolving grievances, many workers developed toleration strategies: they taught themselves ways to cope with various problems that they couldn't resolve. For example, this veteran cab driver at Private Taxi explains that now he tries to "just stay real calm" and not let problems bother him.

> [Now] how do I handle it? I used to complain to the dispatcher. He said, "I'll get you another ride." I said, "That doesn't settle nothing!" I told management about it. They didn't do nothing about it. They didn't reprimand the driver or anything like that. So after a couple of years, I just ignored it. If somebody's stealing my ride, I'd just say, "Well somebody else got the ride." I just stay real calm because I know it ain't gonna do no good to complain on it. You can't get uptight about it. [107]

As were many at the hierarchical cab company, this driver was proud of his ability to ignore potential grievances and to not let such things bother him.

Often, workers doubted that their managers would be responsive to any attempts to resolve their grievances, formal or informal, as this cab driver explains below.

> Unfair sh*t is always going to happen. That's why it's good to go out the airport. When you're waiting for rides at the airport, you can hang out with other drivers and complain about the bad call you got from that dispatcher, or how you didn't get the shift you were supposed to, or how some other

> driver cheated you out of ride. You get to get all that stuff out, off your chest.
> And that's real good to do, because that's usually all you can do. [070]

Distrusting management's interest or ability to address their workplace disputes, many employees at both the hierarchical cab company and the hierarchical food distribution company simply learned to tolerate and coped with their "upraised grievances."

Food Distribution

For example, an employee at HealthBite explained that often his preferred path is to do nothing.

> If someone else isn't doing their work and I'm doing it all, what I've learned
> in the past, is to just shut your mouth and keep doing it. "Cause that's how
> it works. I just shut up and keep doing it." [059]

His emphasis on simply pushing onward past the problem and accomplishing his work in spite of any potential grievances was echoed by many similarly situated employees.

Coal Mining

Interestingly, the employees at Valley Colliery present an exception; they seldom mentioned toleration. This is because they were part of the very active N.U.M. miners' union. As discussed above, these miners were more likely to bring their grievances to their union representatives, rather than learning to quietly tolerate their problems. (For a more detailed discussion of this dynamic in the coal industry, see Hoffmann, 2006; for more information about Valley Colliery and Coal Co-operative, see Hoffman, 2001.)

Feasibility and Stability

Clearly, members of the worker co-operatives enjoyed greater dispute resolution options. Because of this, co-op members were less likely to feel that they had to simply tolerate problems; they could raise their disputes either formally or informally.

However, none of these improvements to quality of work life would be very meaningful if these businesses were not financially successful themselves and folded within only a few years of opening. Similarly, if these businesses did survive, but only did so by offering sub-standard wages, then any improvements in work life quality may seem a dubious and questionable trade-off. Moreover, if such co-operative businesses were possible, but only on a very small scale—for example, the corner bakery co-operative employing five friends—then the worker co-operative would not present much of an alternative to the numerous-employee companies in today's economy.

None of these negative situations were found in this study (see Table 3). All three co-operatives in this study were financially successful businesses for at least a decade. In fact, two of the businesses were still in operation at the time of the writing of this article, Coop Cab and Organix Coop. The third, Coal Co-operative, was able to survive in an industry and an economic climate in which similar mines folded quickly.

During the life of each of these co-operatives, they tended to offer wages that were similar to, or above, what their conventional counterparts were paying their employees (see Table 4). The most notable improvement in wages from conventional business to worker co-operative is at the lower end of the wages

Table 3. Organizational Age

	Industry	Dates of operation/ Organization age	Number of workers
Coal Co-operative	Coal mine	1995-2008: 13 years	239
Coop Cab	Taxicab	1978-2011: 33 years	150
Organix Coop	Wholefoods distribution	1976-2011: 35 years	50

Table 4. Comparison of Wages

	Industry	Organization type	Number of workers	Wages[a]
Valley Colliery	Coal mine	Hierarchy	252	£4.75-10.50/hr
Coal Co-operative	Coal mine	Co-operative	239	£6-10.63/hr
Coop Cab	Taxicab driving	Co-operative	150	£5.54/hr ($9/hr)*
Private Taxi	Taxicab driving	Hierarchy	120	£5.54/hr ($9/hr)*
Organix Coop	Wholefoods	Co-operative	50	£7.5/hr
HealthBite Distributors	Wholefoods	Hierarchy	32	£6/hr

[a]Calculated with an exchange rate of £1 = $1.65, the rate during the time of this study.

spectrum in the mining businesses. Although the top wages remained similar as Valley Colliery converted to become Coal Co-operative, the lower-wage rates were substantially improved.

Finally, none of the three worker co-operatives in this study were very small businesses (see both Tables 3 and 4). Coal Co-operative, with over 200 workers was clearly the largest. Organix Coop, with only 50 might be considered small by some standards, but it was large enough to quality as a large business as defined by many laws (e.g., much federal legislation applies only to organizations with 50 employees or more).

DISCUSSION AND CONCLUSIONS

This study demonstrates how work life at a worker co-operative may be substantially better than that at a conventional workplace. The data demonstrate that the co-operative structure and ideology can have an impact on the dispute resolution strategies of its members, enabling them to have more dispute resolution options than their counterparts in conventional businesses. In the coal mining industry, miners at the conventionally organized mine had only formal routes through which to resolve their disputes, while those at the co-operative mine could use both formal or informal avenues. In the taxicab industry, employees at the conventional company most often anticipated resolving disputes informally, and even then, could only occasionally engage in dispute resolution at all. In contrast, members of the taxicab co-operative regularly resolved disputes both formally and informally. In the food distribution industry, workers at the conventional company rarely tried to resolve their disputes—more often relying on their own toleration strategies—but when they did attempt dispute resolution, they worked informally rather than through formal mechanisms. Their counterparts in the worker co-operative were more able to resolve disputes, through both formal and informal means.

The data in this study validate some of the hopes from earlier research. As Pateman (1970) argued, in organizations that encourage democratic participation by their members, workers' activism will be greater. In this study, each co-operative emphasized democratic organization and encouraged workers' participation in the management of the organization. Through inclusion in work groups, serving on Workers Councils, voting for members of the elected bodies (such as boards of directors), and attendance at regular membership meetings, these workers learned to be participatory members in a workplace democracy.

This study has much relevance for the self-help movement. Self-help groups strategize how to reject physicians and psychiatrists and, instead, empowering patients. While some might see these professionals as that against which the self-help groups are struggling, others see the difficulty as being the hierarchy that distances the patient from the healthcare worker. This is the key element

that the self-help movement has with the worker co-operative movement. Both movements believe that by bringing people together with minimal hierarchy and as much equality as possible. Just as worker co-operative activists seek to create work places with dignity and shared power, so, too, do the self-help activists seek to create health-improving relationships based on equality and dignity. Both groups utilize similar egalitarian methods for sharing power and decision making (Borkman, 1999; Cornforth et al., 1988; Kurtz, 1997).

These findings also provide some tentative implications for co-operative inter-dependence. Workers in co-operative interdependence expect each person to work hard toward the shared goals; therefore, these workers are more likely to exchange information and support each other and to have stronger inter-personal relationships (Tjosvold et al., 1999). Members of the co-operatives—although they would disagree sometimes on various specifics of managing the co-operative or of day-to-day activities—were united in wanting the co-operative to succeed. The realization of co-operative members' shared goals possibly had the dual effect of enabling members to speak up when they perceived a problem as well as lessening the need to silently tolerate problems or develop coping skills.

However, as Pateman also predicted, this worker activism was not automatic (Pateman, 1970). New workers often had to learn how to be active members of a co-operative. A woman at the taxicab co-operative explains how Coop Cab recognized and chose to address this and help new members:

> We're also working on a position called head training coordinator . . . that will make people who are coming in who aren't from a union shop back-ground or a co-operative background get the idea that if they don't like something they don't have to put up with it just because they like their job. There is probably a reason why they don't like it and it could be fixed. I don't think people come in understanding that they can speak their minds without being retaliated against. [011]

The ideological transition from being an employee to being a worker-owner was not an automatic shift and often required specific training.

This study also strengthens the contention that organizations can work well without an extensive hierarchical power structure, questioning the assertions of Weber (1946), Michels (1981), Hannan and Freeman (1989), and Lipset et al. (1956). While this is interesting at a theoretical level, it also is important on an applied level. These findings lend strength to organizational innovations that call for greater employee control of, input into, and ownership of their own work. While few businesses will re-organize themselves into worker co-operatives, many may consider various plans of heightened worker involve-ment and ownership, but then might dismiss such plans as impractical. This research speaks to that debate and lends credence to these potential workplace innovations.

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