



## Worker-Ownership as an Instrument for Solidarity and Social Change?<sup>\*</sup>

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### abstract

Is worker-ownership an instrument for solidarity and social change? Will its organizational form stimulate a social consciousness that leads members to be involved with social movements such as community development, labor activism, environmental campaigning, or human rights promotion? To answer this question I offer textual data that suggest that worker-ownership may be an effective instrument for solidarity and social change *dependent* upon the collective political vision of the members.

Democracy, once adopted in a noble fashion, automatically leads to discipline and responsibility, to the consolidation of solidarity, in short, to authentic social progress... (Fr. Jose Maria Arizmendirreta)

### Introduction

This quote is from the writings of Father Arizmendirreta, the guiding spirit behind the vast Mondragon cooperative system in the Basque region of Spain. His advice and mentoring helped start their first worker coop in the early 1950s with a handful of founding members, to what today consists of over 150 worker-owned firms with over 20,000 members, a credit union, schools and a vocational college, health clinics, and a private social security system. He believed that work in a democratically structured cooperative would be a catalyst for the members to participate in social change and create solidarity with their community and other workers. The purpose of this paper is to ask if Arizmendirreta's belief holds true for worker coops beyond Mondragon. Does the organizational form of a worker-owned firm stimulate a consciousness of solidarity and a drive for social change among its members? I attempt to answer this question by returning to my previous research (Luhman, 2006; Luhman, 2005; Luhman, 2000) to offer textual data that suggest that worker-ownership may be an effective instrument for

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\* An earlier version of this paper was presented in the symposium 'Local Solidarity: Historical and Contemporary Experiments in Socially Responsive Business Development' at the Annual Meeting of the Academy of Management in Atlanta, Georgia, August 2006. This version was revised and resubmitted on May 15, 2007.

solidarity and social change *dependent* upon the collective political vision of the members. Although members' political vision may be brought with them as they join a coop, or developed during their time with the coop, their experience of equal of rights and accountability in their workplace will further their sense of solidarity and drive for social change. This paper is organized into three sections: a brief review of the study of worker-ownership; a review of my previous research on democratic structures in worker coops; and a discussion on the question of worker-ownership as an instrument for solidarity and social change.

But first, what is worker-ownership? In a business school environment, especially in the United States, ordinarily little is known of the history and practices of the worker-owned cooperative (otherwise known as a worker coop, a producer cooperative, or more technically a labor-managed firm), organizations that blossomed out of the 19th and 20th century cooperative movement. A worker coop is held as an organizational solution to the alienation of workers from their labor (Campbell, Keen, Norman & Oakeshott, 1977), and as means to 'burst the bonds' of the capitalist organization (see Corina, 1994; Jones, 1894; Knoop, 1969). Experiments in worker cooperatives are inspired in part by a social consciousness that prioritizes shared economic opportunity rather than the maximization of individual wealth. Three centuries of economic insecurity resulting from industrialization and urbanization motivated artisans, craft workers, factory workers, miners, farmers, and service workers to build cooperative workplaces. In the past, early 19<sup>th</sup> century Workingmen's Associations, unions such as the Knights of Labor, and New Deal public works programs, all promoted worker-ownership. Workers in the U.S. northwest plywood industry, asbestos miners in Vermont, and home care workers in New York City have all been among the many who have sought opportunity and dignity through the cooperative business form. Today, for example, the *U.S. Federation of Worker Cooperatives* (<http://usworker.coop>), the *International Organization for Industrial, Artisanal and Service Producers' Cooperatives* (<http://cicopa.coop>), and the *International Co-operative Alliance* ([www.ica.coop](http://www.ica.coop)) all promote the use of worker-ownership as an instrument for community and social development. There are 210 worker cooperatives in the United States today according to the most recent count by the *U.S. Federation of Worker Cooperatives*.

Yet, is worker ownership an instrument for solidarity and social change in that it stimulates a social consciousness and member activism in social movements such as community development, labor activism, environmental campaigning, or human rights – the concern of this special issue? Once again, in a typical business school, little thought is placed toward the idea of solidarity and a drive for social change between and amongst workers and their community. Solidarity, defined as "shared membership characterized by mutual care and mutual respect, that is, a sense of belonging enriched by a commitment to human dignity – to love one's neighbor as oneself" (Schweigert, 2002: 33), and a desire for social change, are both key concerns within critical management studies. Jermier (1985) points out that critical management studies is naturally concerned with the lack of a class consciousness (i.e. solidarity amongst workers), and with the lack of awareness of one's oppressive state by living in an illusion of freedom (i.e. a desire for a better world). While there are many perspectives influencing critical management studies, for Jermier, the first concern grows out of the

tradition of dialectical Marxism, in which people must uncover the distortion of reality by the privileged classes, specifically with capitalism's process of the commodification of labor, and view the complex forms of oppression through labor's political and historical alienation from the means of production (cf. Mészáros, 1970). The second concern grows out of the tradition of critical theory, in which people should resist their domination by the symbolic processes of capitalism (i.e., the cultural industry that manufactures consent among the laboring class) (cf. Debord, 1967). It is this 'critical' interest in critical management studies that connects to the goals of the cooperative movement in their mutual desire to promote social justice in the workplace, create solidarity between workers of all types, and provide organizational alternatives to the conventional form. In particular, organizational alternatives structured upon democratic principles.

## **A Brief Review of Worker-Ownership**

A worker-owned cooperative is a business organization in which those who perform the work hold the legal rights over profits (i.e. the members) and it is they who exercise direct or indirect control over the production process. A conventional firm (i.e. a 'capital-managed firm'), by comparison, determines the legal right over profit through the property ownership of capital assets, and therefore capital owners exercise direct or indirect control over the production process (Doucouliagos, 1995; Dow, 1993). Worker coops provide members with voting rights over those who manage the firm attempting to create a democratic workplace. This structure is usually reinforced by a set of core principles: management is by majority rule of members; members receive an equal share of the net income; members determine the firm's output level and price levels (given market conditions); and, the size of the firm is determined by the members (given the labor supply). In economic theory these core principles are represented by the Ward-Domar-Vanek model (known from the combination of the three studies: Ward, 1958; Domar, 1966; Vanek, 1970). Their structure and core principles are believed to provide an answer to the major paradox of capitalist production – that of an authoritarian economic life within a democratic political life (Vanek, 1987). A democratic society should promote work where employees are asked for their input, listened to, have their voices count, and engages their human potential. Many theoreticians that advocate worker-ownership claim that: participation increases productivity; the dispersion of asset ownership increases equitable income distribution (Jones, 1986a); worker-ownership helps to stabilize employment levels, a process that would create a smaller Keynesian multiplier in the event of exogenous shocks (Doucouliagos, 1997); self-interest through profit-sharing and altruism through an ideological commitment to the members creates higher levels of individual motivation (Abell, 1983; Jossa & Cuomo, 1997); and, productivity and innovation increases because of the solidarity between an individual's aspirations and an organization's goals (Booth, 1985). All of these advantages are theorized to outweigh the inherent disadvantages of cooperatives, meaning issues such as a lack of capital financing, the risk aversion of workers, or management ineffectiveness (Abell, 1983).

Beyond theoretical claims, there is abundant evidence regarding the economic viability and efficiency of worker-owned firms. Key studies of the efficiency include: Bellas's (1972), Berman and Berman's (1989), and Craig and Pencavel's (1992) northwest U.S. plywood industry studies; Jones' (1986b) Polish study; Mygind's (1986) Danish study; Perotin's (1987) and Defourney's (1992) French studies; Prasnikař, Svejnar, Mihaljek, and Prasnikař's (1984) analysis of Yugoslavian worker coops; Thomas and Logan's (1982) Mondragon study; Thordarson's (1987) Swedish coops study; and Zevi's (1982) study of Italian coops. Doucouliagos (1997) conducted a meta-analysis of existing quantitative studies and found no significant difference between the efficiency of worker-owned firms and comparable conventional firms. In addition to the evidence on efficiency, there is also literature on population and niches such as in professional, craft, or labor-intensive industries (e.g. Stephen, 1984; Bonin, Jones and Putterman, 1993) as well as literature on life cycles (e.g. Russell, 1993; Lichtenstein, 1986).

Although there are many supporters of worker-ownership, there are many detractors too. Karl Marx was one of the first to theoretically challenge the viability of worker coops in their attempt to sustain democratic management practices and structures. Marx believed that since these coops were subject to the competitive forces of capitalism, they would eventually exhibit the non-democratic characteristics of the conventional capitalist firm, such as the non-accountability of owners and managers to workers, and wage differentials (Cornforth, Thomas, Lewis & Spear, 1988). Or as one speaker at a cooperative conference in 1886 put it: "There is a very great danger, now that co-operators have become capitalists to a certain degree, that they may forget and depart from their first principles, and seek to exercise their capital as a power over others, rather than use it as a stepping-stone to the emancipation of their class" (Gray, 1886: 7).

Beatrice Potter (1891), and later with her husband (Webb & Webb, 1914), described this reproduction of the business practices of conventional firms within worker-owned firms as 'degeneration.' According to them, cooperatives could not maintain their utopian dream of organizational democracy and local solidarity under the pressures of economies of scale and organizational rationalization. Departure from their principles can take on three distinct forms (Cornforth *et al.*, 1988: 112-119). First, there is the form of 'constitutional degeneration' where workers eventually lose their property rights as members of the firm. Second, in the form of 'goal degeneration' where the priority of the firm's members becomes purely profit seeking and the social goals are left behind. Finally, there is 'oligarchical or managerial degeneration' where an elite group takes control over the members' decision-making power. Max Weber (1968) critiqued democratic management on the basis that the specialization of tasks in a rational organization (i.e. Weber's theory of bureaucracy) demonstrates the benefits of the separation of roles between workers and managers as well as between managers and owners. Essentially as coops grow in size and in technical complexity, its organization must become professionalized, hierarchical, and primarily profit-oriented.

## **My Research on Worker-Ownership**

I am still left with my second question: are these firms an instrument for solidarity and social change? To answer, I turn to my previous research (Luhman, 2000) in which I developed a framework of organization democracy from an analysis of ethnographic and case study literature on worker-owned cooperatives. I believed that a study was necessary to find evidence that supported the assumption of the existence of democracy in the practices of worker coops. Most of the theoretical literature on worker-ownership declares that organization democracy exists simply because members vote on strategic and implementation issues and management is accountable to the members of the firm. Thus, my primary research question asked if the ethnographic and case study literature on worker coops could confirm the theoretical assumption that they practice organizational democracy. This primary research question required, however, that the term of organizational democracy be defined as a secondary research question. I first examined the theoretical literature to create a framework of how firms might incorporate concepts of democracy in their social structures, and then I examined a collection of ethnographic and case studies to discover their recorded practices.

My research examined texts from published social science literature to combine and analyze descriptions across qualitative studies. This research method has two precedents. First, Hodson, Welsh, Rieble, Jamison, and Creighton (1993) and Hodson (1996) – describing their method as ‘secondary data analysis’ – coded their textual data quantitatively (using multiple coders to verify reliability) in order to create a predictive model. Second, Noblit and Hare (1988) – describing their method as ‘meta ethnography’ – coded their collection of ethnographic studies to construct interpretive explanations in which to create an inductively derived descriptive model. My previous research was more in line with the latter precedent in that I left the coded data in narrative form to create a descriptive model in order to describe (see Pleasants, 1999). A recent example of this method is Dixon, Roscigno & Hodson (2004) study of unions and solidarity strikes. Closer examples of secondary data analysis in organization studies are Litterer’s (1986) framework of pre-Taylor management thought, and Locke and Golden-Biddle (1997) framework of how authors construct their so-called contribution to management knowledge.

My data set included ethnographies (i.e. derived from participant observation and interviews) and case studies (i.e. derived from outsider observation, interviews and archival data). The collection of data began with searching reference banks for ethnographic research and case studies in academic journals or books. There were 279 items retrieved from the citation list, but after reading each item an actual amount of 122 distinct ethnographic studies or case studies of worker coops was determined. The studies came from countries such as Chile, Ethiopia, Yugoslavia, or Belgium. The largest collections coming from the United States (29), the United Kingdom (22), India (13), Spain (12), and Ireland (11) (a list of studies and their context is available from the author). The next step involved coding through a process of reading and identifying textual passages that related to some concept of organizational social structure. Passages were coded by writing personal notes that described concepts, then sorting the concepts, and deciding on the key concepts (cf. Locke and Golden-Biddle, 1997). Textual

passages that belonged to a key concept were identified and brought together through NVivo™ (software developed for the management and analysis of qualitative data).

I developed a framework of organization democracy in worker-owned firms and later derived three postulations. First, the structure of organization democracy in worker coops can be viewed as a conflation of different political visions. The collective political vision of members in each coop is really what creates their ideal type of organization democracy (Luhman, 2006). Second, organization democracy can be viewed as an attempt to (a) make decisions through a set of rules and procedures that are transparent and rational, (b) select and retain members with a coherent set of collective values, and (c) preserve the political visions of members in order to oppose a life completely dominated by formal rationality (Luhman, 2006). And third, that an unproven belief regarding human nature, or what one might call faith, will drive the preferred types of social structures utilized to create organization democracy within a worker coop (Luhman, 2005). I provide my framework of organization democracy in worker coops in the Appendix. The conclusion I made from this research project was that when models of economically successful worker cooperatives are explored, embraced, and implemented by workers, a transformation from an autocratic culture of dependency to a democratic culture of interdependency does begin to emerge.

## **Worker-Ownership as an Instrument for Solidarity and Social Change**

Cheney (1997) specifically examined the concern of solidarity and worker ownership in his study of the early 1990s reorganization of the Mondragon cooperative system. During his time studying the coops, he observed some of the members fighting to maintain solidarity and a social dimension against management's push for further rationalization by reorganizing along lines of business sectors rather than the geographic location of the coops.

They see solidarity especially in terms of worker-members' commitments to one another, bonds that are much stronger when co-op members are citizens of the same community. At the same time, this group emphasizes the co-op's linkage to its host community. Thus any move toward reorganization along sectoral or functional lines is seen as a direct threat to solidarity. In one statement made at a general assembly meeting of one of the largest and the oldest co-ops in 1993, the group warned, 'In the interest of being more modern and more efficient, the co-operatives, under the name of the Mondragon Cooperative Corporation, are trying to dismantle the basic rights of the socios and undermining its most advanced social dimensions.' (Cheney, 1997: 77)

So what answer does my previous research provide toward the question of worker coops being instruments for solidarity and social change? The first step is to examine my theoretical concepts on organization democracy that are related to the concern for solidarity and social change. There are three key concepts which are related: *Community Solidarity*, *Consciousness*, and *Sense of Class Solidarity*. First, *Community Solidarity* is the concept that the practice of organizational democracy requires individuals, as well as groups, to have a sense of solidarity with the needs of the community in which their firm is located. A democratically organized worker coop

should encourage concern for the social and environmental health of their community. Here is one theoretical textual passage relating this key concept:

Workers' control of production can lead to greater community control over it. Workers constitute a community in their productive work, which in turn is part of the community they live in. The two communities are likely to have many common interests. The same cannot be said for the relationship between a community where a firm is located and capital owners, who may have no living connection with that community. Of course, workers who control a firm in their community and others who live in that community may have conflicting as well as common interests. Direct communication between community constituencies and the working community provides opportunities for conflict resolution and for development of more complete linkages between people's lives as producers, consumers, and citizens. (Gunn, 1984b: 36)

Second, *Consciousness* is the concept that the practice of organizational democracy requires individuals have or develop a consciousness of cooperation, and a consciousness of the greater good. A shared or common value set is necessary for the smooth and efficient running of participatory decision-making processes. Here is one example of this theoretical concept:

According to these researchers, for self-management a person must lean generally in the direction of self-reliance, flexibility, and activism. He or she needs to be able to admit his or her own mistakes, be receptive to new and unfamiliar experiences, and be able to fashion compromises with others. The capacity for self-management also includes a readiness to look for past trends and future consequences, sensitivity to the difference between means and ends, and a strong sense of attachment to one's fellows. (Bernstein, 1980: 93)

Finally, *Sense of Class Solidarity* is the concept that the practice of organizational democracy often involves workers having a sense of labor class solidarity which guides their judgment during decision making. Here is one example textual passage:

The Articles were also specific about union membership. Apart from a provision to cover objections on conscientious grounds, those who joined the company would have to join the relevant union. The most important reason for this insistence was the feeling that the unions had been responsible for an enormous improvement in wages and conditions and that people who joined the industry but not the union would thus be like passengers who joined the bus but declined to pay the fare. (Oakeshott, 1978: 96)

As a first step I presented three theoretical concepts – *Community Solidarity*, *Consciousness*, and *Sense of Class Solidarity* – that show a concern for solidarity and social change among advocates and promoters of worker-ownership. The second step is to examine the textual passages from my collection of ethnographic and case studies that support, or don't support, the theoretical concern for solidarity and social change. Based on my immersion in the data, I offer three specific textual data points that are thematic to the struggle of members to create and maintain local solidarity. Spradley tells us that themes are "assertions that have a high degree of generality" (1980: 141). These example data points suggest that worker-ownership stimulates a social consciousness that leads to participation in social movements.

In the long run, it is hoped to channel profits into community centres and other ventures for the Bengali community. At present, the restaurant is used as a base for English language classes. (Derrick, 1984: UK 27)

Much of the energy of the co-op members goes not into building the co-op, but into developing the community where most members live. Community projects have included creating a food co-op and building both a free school and a combined community center, health clinic, and co-op office. Members have a reputation for being ardent environmentalists who strongly oppose the use of herbicides and are willing to take direct action against their use. (Gunn, 1984a: 85)

When asked whether Salsedo's members share in the press threatens their solidarity with (non-owner) workers elsewhere, Gleason replied, "That's possible in theory, but in practice, the opposite is borne out." She cited the examples of Mondragon, a network of cooperatives employing twenty thousand worker-owners, which "has always helped to develop new cooperatives and to expand the cooperative movement in the Basque region of Spain," and of Weirton Steel, a worker-owned steel mill in West Virginia, which has aided workers in failing steel plants at its own expense. Salsedo itself helped workers at another print shop in their attempt to convert to a cooperative. Gleason stressed that "co-ops need to be in the union movement" in order to maintain links with other workers. (Salsedo's production workers are members of the International Typographical Union). She further suggested that worker-owned companies have more concern for the communities and the environment in which their workers live than ordinary corporations do. Co-ops, she believes, are one aspect of "a larger movement for social justice, expanded democracy, and empowerment of regular people in this country." (Hart, 1992: 18-19)

By creating a democratic social order, the social structures within a worker cooperative promote the sharing of information, resources, and power. The members work in a self-renewing and dynamic community. The genius is not in their ability to create wealth, but in their ability to repair community members from the mental and social anguish of industrialization and globalization. These examples do suggest that worker-owned cooperatives can be an instrument for solidarity and social change.

However, there are 'counter-examples' in my data, cases in which members resist any conscious attempt to create and maintain local solidarity. Here are two thematic data points, which suggest that worker-ownership does not stimulate solidarity and social change:

Despite the solidarity generated by the conflicts described, the early stages of the co-operative generated quarrels among the members which took several forms. At first, there was a division among the ex-union members who became members; on the one side were those who were overtly politically motivated and anxious to politicize the membership while engaging them actively in national politics, and on the other were those who were politically neutral. The majority of members felt that politics was a cause of division among members and that this and the factionalism to which they felt it gave rise were preventing members from devoting their whole attention to the pressing need to establish a viable enterprise. (Abell & Mahoney, 1988: 70)

The most pertinent lesson from this common ownership enterprise in South Wales is the rather different one already referred to in the book's opening section. It is that an enterprise of this kind may have to part formal company with the unions whatever the claims of working-class solidarity. At the lowest level, as Burnett saw it, the union might simply prove irrelevant once genuine bottom-upwards control had been achieved. (Oakeshott, 1978: 91)

The answer to the question of whether or not worker-ownership is an effective instrument for solidarity and social change remains ambiguous. The manner that I have to come to terms with this ambiguousness is the postulation (Luhman, 2006) that each cooperative centers on a collectively distinct political vision, which can be viewed through Mannheim's (1936) four utopian images of Anarchism, Liberalism, Conservatism, and Radicalism. Utopian images represent different conceptions of the desirability of change in the status quo, the directions that change should go, and its

pace, as well as different orientations toward ideal times (past, present or future). To start with, Anarchism is the belief in revolution as value in itself, in the spontaneity of human experience. It views human nature as something that is consumed by the monotony of everyday life or created in a spontaneous moment of enlightenment. Thus the possibility of liberation for each human is always at hand in the present. Liberalism is the belief in the evolutionary culmination of reason as individuals strive to advance their psychological maturity by creating conditions for their self-awareness. It views human nature as something that changes as individuals slowly gain the capacity to reason, making the possibility of liberation oriented toward the future. Conservatism accepts contemporary society, and legitimates those with power, by viewing it as the natural order. It views human nature as something permanent, where the possibility of liberation has already been achieved and so the future and the present are the same. And finally, Radicalism is the belief in the promise of a new social order of justice and equality through large-scale revolutionary action. It views human nature as something determined by historical forces – it is egoistic now because of capitalism, yet can be cooperative under a different context. Thus the possibility of liberation is only through future social change.

So, can worker-ownership stimulate a social consciousness that leads its members to involvement with social movements? The answer seems to be that it depends on their collective political vision. This is demonstrated as I turn now to my recent experience attending the 2006 *U.S. Federation of Worker Cooperatives* meeting in New York City – a conference of members of various worker-owned cooperatives. There I took notes at a morning workshop entitled ‘Co-ops and Social Movements.’ Paraphrased here are some of comments of the participants.

Coops are a part of a larger social movement, an expression of a new world, a new set of values, and a move to a new society. We need a broad group to bring us all together.

Part of doing coop well and surviving in the business world is forming partnerships and alliances with other social movement groups.

The acronym of TINMISJWYCDTSW really applies here: “There is no more important social justice work you could do than start a worker-cooperative.” We’re here not to solve all the world problems but an important economic problem.

Our core value as a coop is to support other coops, not necessarily broad social movements. We want people to focus on democracy in the workplace. That needs to be spread through coop activities and through the individual lives of members.

When people live well – in happy, secured jobs – then they have time to go do their own individual political and community activities.

These sample comments reflect somewhat distinct utopian images on the pace of social change and its orientation toward an ideal time. There are reflections of the slow pace of social change supported by Liberalism contradicting with reflections of the possibility of spontaneous change or revolutionary change supported by Anarchism and Radicalism respectively. Therefore, worker-ownership will be an instrument for solidarity and social change, in that it stimulates a social consciousness of activism, when the collective political vision of members reflects a more Radical or Anarchist utopian image. It will not when the collective political vision of members reflects a

more Liberal utopian image. Yet, I do believe that the democratic structure of worker-ownership can enable a transformation toward a broader democratic culture, no matter what priority members of worker cooperatives place toward solidarity and social change. When workers have the opportunity and the means to live in a reality of equal of rights and opportunity, they become part of a culture of interdependency.

## Appendix: Framework of Organization Democracy

Concept	Description
Access to Information	All individuals have access to organizational information and individuals gain skills to deal with that information.
Accountable Hierarchical Controls	Organizational efficiency requires a hierarchical system of monitoring of performance, but this system is accountable to the workers.
Collective Management Roles	There is no specialization of management skills or knowledge in any distinct individuals, where management is a collective process rotated amongst group members.
Community Solidarity	Individuals and groups have a sense of solidarity with the needs of the community in which their firm is located.
Concern for Gender Equality	Workers should have a concern for women's rights and women's participation in the workplace.
Consciousness	Individuals have a consciousness of cooperation and a consciousness of the greater good (i.e. a common value set).
Control Over Tasks	Individuals have control over their work tasks.
Decision Making Process	Decisions to be made by the group are through either majority rule voting, or by achieving group consensus.
Job Rotation	The rotation of individuals between specific job positions to enrich their work lives.
Multiple Skills	Individuals have multiple amounts of skills, which can be continually utilized during their tenure.
Non-Hierarchical Controls	There is a severe restriction, or even the elimination, of any hierarchical system of control.
Norm of Self-Reliance	Individuals, or groups, do not submit to the cultural norm of dependence on authority to make decisions or perform tasks.
Procedural Formality	Groups operate with formality in the structure of their procedures and rules.
Procedural Informality	Groups, and/or the organization as a whole, work informally with a minimal amount of structure, procedures, or rules.
Rights and Appeal	There is an independent body (as in a judiciary) to protect the rights of individuals or minority groups from abuse by other individuals or majority groups.
Sense of Class Solidarity	Workers should have a sense of labor class solidarity which guides their judgment during decision making.
Sense of Meaningful Work	The organization strives to give individuals a sense of meaningful work.
Social Council	The organization establishes a structural body that acts on behalf of the workers quality of life concerns, similar to the role of a trade union.
Specialized Management Roles	There is a specialization of management skills and knowledge in distinct individuals.
Task Variety	Individuals have a variety of tasks to perform during their workday so as to enrich their lives.
Tolerance and	Individuals act with tolerance and respect for minority and/or dissenting

Respect	views, and act with tolerance and respect for differences within their group.
Wage Solidarity	The organization establishes a structure of equal, or near equal, wages for all employees in the organization.
Whole Work Process	Individuals have a clear idea of the whole work process of their organization.

Source: Luhman (2006: 173)

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