

Review
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Manufacturing Advantage: Why High-Performance Work Systems Pay Off.

Eileen Appelbaum, Thomas Bailey, Peter Berg, and Arne L. Kalleberg. Ithaca, NY: Cornell University Press, 2000. 259 pp. $45.00, cloth; $19.95, paper.

The prominence in the United States over the past three decades of various campaigns to increase the influence that low-level employees have over their work—campaigns that have gone under the names of workplace democracy, the quality-circle movement, total quality management, participatory management, and employee involvement—have been met by skepticism from two quarters. Some observers have questioned whether these programs result in increased efficiency or productivity. Other critics have suggested that these efforts are really a subtle and insidious extension of managerial authority that, in effect, turns workers into supervisors of one another. For the most part, however, the passion of these arguments has not been matched by the quality of the data used to test them. Appelbaum et al.'s book, which assesses the consequences of what they call "high-performance work systems" in three industries and forty plants is, therefore, a timely, valuable, and sorely needed contribution to the debate. Equally important, Appelbaum and her coauthors have taken the trouble to collect data from managers (interviews) and from workers (surveys) in the forty plants, thus allowing them to verify whether managerial claims about, say, participation in self-directed work teams were supported by workers' accounts.

The three industries they chose to study—selected because they illustrate the diversity of employee skills, production processes, and workforce characteristics in American manufacturing—were steel, apparel, and medical electronic instruments and imaging. Data were collected from employees in 14 steel mills (with an average size of 3,754 employees), 16 apparel factories (with an average size of 253), and 10 medical electronic instruments and imaging plants (with an average size of 808). In all, nearly 4,400 employees were surveyed, about half of whom worked in the steel industry and

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approximately one-quarter of whom worked in each of the other two industries. It must be noted, as the authors themselves acknowledge, that the companies included in the study were not a random sample of firms in the industries; indeed, their willingness to participate means that it is reasonably probable that they were above-average employers.

Appelbaum et al. define high-performance work systems as work arrangements that give workers the opportunity to participate in substantive decisions, the skills to make this participation meaningful, and the incentives to encourage skills acquisition and workplace participation. They pose two questions: first, what effect do these work systems have on plant performance, and second, what effect do they have on the attitudes and experiences of workers? As the book's subtitle would suggest, and as the authors confirm in the opening chapter, their findings lead them to conclude that high-performance work systems are good for everyone: they boost plant performance and improve the quality of employees' working lives.

Appelbaum et al.'s findings occupy five of the book's eleven chapters. The first of these (chap. 6) summarizes their results in non-technical language, which will certainly be welcome to those readers reluctant to plunge too deeply into the thickets of regression analysis in the chapters that follow. The performance outcomes are striking. In the steel industry, high-performance work systems improve "uptime" (a measure of the amount of time the equipment is in use) by 17 percent. In the sewing industry, high-performance practices reduce "throughput time" (the time it takes for cut pieces of material to be assembled into finished garments) by 94 percent. In the medical industry, the interpretation of performance is not quite as straightforward; nonetheless, the authors report a correlation of .62 between a plant-level measure of workers' opportunity to participate in substantive decisions (obtained by aggregating the responses of all workers in a given plant) and plant profitability.

The performance results are all the more significant because they are accompanied by clear evidence that workers also benefit from high-performance work systems. The authors examine six worker outcomes: employees' earnings, their trust in managers, the extent to which they feel that their jobs are intrinsically rewarding (a three-item scale that measures each worker's sense of whether the job is challenging and requires creativity and knowledge), their organizational commitment, their job satisfaction, and their work-related stress. For four of the variables, the results are consistent across all three industries—high-performance plants pay workers better (even when individual worker characteristics are controlled), increase workers' trust in their managers, make them feel that their jobs are more intrinsically rewarding, and have no impact on workers' stress levels (contrary to the argument of those who claim that high-performance systems are a form of work speed-up). For the other two outcomes, organizational commitment and job satisfaction, high-performance work systems have an indirect effect through trust and intrinsic rewards, increasing organizational commitment in the steel and medical industries and increasing job

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satisfaction in the steel industry. The authors observe that these results indicate that the "introduction of HPWSs leads to win-win outcomes for plants and workers" (p. 115).

It remains for future researchers to determine exactly why high-performance work systems improve plant performance and worker contentment. In their concluding chapter, the authors suggest that high-performance work systems improve plant performance because they elicit greater discretionary effort from workers and because they provide more opportunities for shop-floor learning. These are certainly plausible intervening variables; pinning down what precisely discretionary effort is and how exactly it shapes organizational outcomes would be a worthy extension of this study.

Appelbaum et al. have written a masterly analysis of the impact of high-performance work systems that should be of interest to practitioners and academics alike. It is an exemplary demonstration of the value and power that careful, thoughtful empirical analysis can bring to our understanding of organizational processes.

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Managing the Organizational Melting Pot: Dilemmas of Workplace Diversity.
Pushkala Prasad, Albert J. Mills, Michael Elmes, and Anshuman Prasad, eds. Thousand Oaks, CA: Sage, 1997. 395 pp. $27.95, paper.

Research on workplace diversity is characterized by a curious contradiction. On one hand, the field has developed an impressive lexicon of clichés that aim at capturing the challenges associated with managing diversity. On the other hand, on the research front, the struggle to nail down the complex dialectics of workplace diversity continues. The editors of *Managing the Organizational Melting Pot* aim at steering away from a minefield of diversity-related clichés while invoking a pantheon of theoretical perspectives that could illuminate future research.

The volume is organized around two themes. The first draws on a wide array of radical postmodernist perspectives to critique existing approaches to diversity management in organizations. In the section devoted to this theme, Oseen and Marsden both draw on Marxist and Foucauldian theory to reexamine organizational processes (Oseen) as well as human resource practices (Marsden) that perpetuate structures of dominance and subordination in organizations. In a similar vein, based on postmodernist feminist theory, Jacques argues that the "common sense of day to day thinking functions to reinforce dominance and marginality" in organizations (p. 81). Cavanaugh and P. Prasad draw on institutional theory (Cavanaugh) and Weber's notion of the Protestant ethic (P.

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