Employment With a Human Face: Balancing Efficiency, Equity, and Voice


Employment is often viewed as a purely economic relationship. But for most employees, work is a human activity. We commonly identify with it (“What do you do?”). We spend more time at work than most, if not all, other activities, even sleep.

Achieving economic prosperity, human dignity, and appreciation for human rights requires that we balance efficiency with equity (fair treatment) and voice (employee input). The question is how to govern the workplace to achieve this vital balance. In most workplaces, employment is an economic transaction, with employees and employers considered equals in the labor market. In reality, we know they’re not equals, because property rights are still favored over labor rights, and because employers typically have far greater resources.

Unions and government regulations are supposed to equalize the power between workers and management. Indeed, classical labor relations studies rely on unions to provide equity and voice in the workplace. Unions in the United States concentrate on making organizations efficient while providing equity, but their focus has narrowed to obtaining decent working conditions and a fair share of the profits. That’s perhaps why few nonprofits have unions — profits aren’t a motivator in nonprofit organizations, and equity is often achieved through other means. Unions tend to be inflexible in a rapidly changing environment. Sometimes they actually remove employee decision making. Today, according to John W. Budd, unions represent only about 10% of workers, shifting the focus of many workplaces toward efficiency at the expense of not only voice but equity as well.

Budd examines various systems of employee relations, and how each fares with efficiency, equity, and voice. He indicates the appropriate system toward which an organization might shift if there’s a need for greater efficiency, equity, or voice.

These three essentials – efficiency, equity, and voice — are often in conflict. But if we believe in democracy, adding equity and voice to the human activity of work is important. Doing so is supported by major philosophies and religions, as Budd demonstrates. Balancing equity and voice with efficiency is what most nonprofits work for; indeed, it is the purpose of many.

As the need for greater equity and voice becomes increasingly recognized, our organizations can be role models for adding a human face to employment. Employee satisfaction and participation have always been important in the nonprofit sector, and fairness and participation have long been viewed as vital parts of our workplaces. This is an area where we’ll be looked to as leaders, so it’s important that we understand how to balance efficiency, equity, and voice in our workplaces, and this book shows us how.

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