

Financial Participation Programs in Polish Public Companies

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The major purpose of this article is to analyze the most important FP programs in Poland in order to increase knowledge on the subject and to show the occurring relations between the programs applied and the socioeconomic results of enterprises. The emphasis has been put on showing the multidimensional relationships between employee financial ownership and economic results, as well as on proving the relationship mechanisms of employee ownership on productivity are complex interactions by nature. Additionally, it has helped to separate crucial characteristic features of the applied forms of FP. This empirical approach concentrates on qualitative research and not quantitative, which although broad based, does not precisely identify the aforementioned relationships too precisely.

Key words: worker attitude, worker ownership, financial participation (FP), profit sharing, stock option

Introduction

The research focused on analysis of FP programs in Polish listed companies in order to increase knowledge on the subject and demonstrate relations between the programs applied and the socioeconomic results of enterprises. Efforts have been made to systematize the forms of participation presented here, although, due to their multitude, occasional lack of clear dividing criteria, and their different interpretation, the results appear dissatisfactory. Nevertheless, due to the shortage of literature concerning FP issues, this article attempts to fill in the gap to some extent and aims to increase interest in the above solutions. Additionally, it has helped to separate some crucial characteristic features of the applied forms of FP.

It may be surprising that (large) listed companies have been chosen as objects of analysis, only some of which are privatized, and the rest represented by domestic or foreign private firms. Therefore, they are companies in which one could expect some significant remains of employee ownership after the privatization process. The intention of the author was to deal with existing large companies, regardless of their origin, and to check if they have FP programs. The

choice was also made based on much better availability of information on listed companies.

The aim of the detailed analysis was to provide answers to, among others, questions such as:

- Does the personnel structure decide the type of employee participation program? Four groups of employees were included: managerial, white-collar, blue-collar and administrative personnel.
- What type of personnel structure exerts influence on opinions concerning the effects of participation? Predominance of one group over another group of employees gives different results according to financial effects.
- What factors (considered as barriers and facilitations) have decided the percentage of employees covered by a participation program, allowing for the employee structure and the type of program? The crucial factors were tax incentives, costs of social insurance, company culture, accountancy regulations, the level of knowledge of the program, etc.
- Does participation in profit sharing have an advantage over share ownership, especially cash based or not? It should be noted that profit-sharing schemes seem to have a short-time effect, whereas share ownership schemes, such as those that produce effects in the long run, supposedly have a longer lasting nature.

Due to a significant number of variables, it is proper to explain some explicitly. Generally, there are independent variables that have an influence on financial programs implemented in the companies, including size of the company, sector of activity and the employee structure, ownership structure, job seniority, etc. Some of the dependent variables are share of employees covered by the program, company financial indicators (productivity), willingness and higher involvement, efficiency of work, better profits, and social benefits.

Theoretical Background

Participation schemes based on company profits and employee share ownership are immensely popular in the European Union. In the four largest countries (France, UK, Germany, Spain), these schemes have covered around 17 million workers (19% employees from the private sector) (Pérotin and Robinson 2002). This is due to earlier experience and traditions with worker ownership in France and

the UK, cooperatives in Spain or widespread decision-making processes in Germany as a source of FP. The most popular financial programs are profit sharing and share ownership in France, varieties of profit sharing in the UK and share ownership in Germany. Among countries with a significant number of FP schemes are Italy, Finland and the Netherlands. The situation is definitely worse in post-Soviet states.

It is officially acknowledged that FP is in accordance with state policy because it has positive influence on efficiency and employment and accelerates the fulfilment of other goals of state policy, such as redistribution of wealth or broader participation in creating welfare and overcoming in-company conflicts. The mechanism of relationship may be as follows: participation in shares or profits subliminally leads to increased willingness and involvement to better perform one's work, and at the same time highly contributes to the success of the parent company. Additionally, the efficiency of work increases because there is no overtime. To some extent, the worker becomes more connected with the company he helps to achieve better profits.

It should be noted that from the point of view of a country only some types of schemes will be preferred, mainly those which will largely contribute to the achievement of macroeconomic goals. Activities promoting implementation of participatory solutions are conducted in different countries in a varied manner and with a diverse intensity; therefore, one should bear in mind that their spread in particular countries would differ. Nevertheless, there is a constant, yet not dynamic, growth in the number of employees taking part in FP schemes and an increase their incidence. The research conducted by specialists in the EU countries and the USA provides us with a large amount of significant information on the nature of these schemes and achieved results. In the EU, there are organizations involved in FP, such as European Federation of Employee Share Ownership (EFES) with Marc Mathieu, International Association for the Economics of Participation (IAFEP), researchers in Europe such as E. Poutsma, A. Robinson, A. Pendleton and others, and in the USA, D. Kruse, D. Jones, T. Kato and others. Their reports and books are extremely valuable in finding new ways to implement FP programs.

The data is obtained from, for example, surveys sent to enterprises listed on the stock exchange and to other large companies whose capital is estimated to be at least 200 million euro (Mathieu 2009).

However, gaining information, employing convincing arguments and straightforward evidence about the schemes and their effec-

tiveness is troublesome for companies that want to implement FP schemes. The commonly shared belief is that through implementation of participatory solutions, companies want to motivate their staff to better and more efficient work and to convince them to stay with the company, but the evidence suggests that in companies introducing employee participation schemes, work efficiency does not radically change (Pérotin and Robinson 2002). Therefore, it can be assumed this is not a direct reason for their implementation and the schemes are simply part of a set of employee participation tools (Kruse and Blasi 1997; Long 2002; Robinson and Wilson 2001; Pendleton 1997; Jirjahn 2002; Kato 2002; Shields 2002).

In turn, the analyses conducted in over 20 EU countries, comprising several thousand enterprises, shows evidence that FP has had a positive or at least neutral impact on efficiency. The achieved results are in favour of higher influence of participation in profit sharing on work efficiency over such influence arising from employee share ownership (Fakhfakh and Pérotin 2002; Kruse and Blasi 1997; Braam and Poutsma 2010; Mathieu 2009, 2010). This might be a result of the differences in conditions in which those schemes are implemented, which in turn cause trouble with measuring the absolute effects achieved in different research in various countries.

Presently, the most prominent form of employee FP in Poland is share ownership. The restructuring program in Poland was characterized by crucial incentives for employee participation, especially in firms privatized by leasing and those transformed into so-called employee-owned companies. The ownership structure in these companies, in general, is relatively stable and employees who do not hold executive posts maintain a small number of shares. This was caused by a lack of interest from political and trade unions. The buyout was also hindered due to a clause included in the Transformation Law as of 1996, which stated that at least 20% of shares of a leased company must be purchased by people who are not employed in the company. Over the last few years, the matter of employee-owned companies and FP schemes has been dealt with again, due to extension of research and increased interest by EU organs.

It can be said that the structure of law in Poland provides opportunity to implement different forms of financial schemes, including share ownership and profit sharing, and creation of employee-owned companies through transformation processes. However, politicians have not provided incentives for development of such schemes and have not given proper support. The most widespread FP schemes embrace share ownership and profit sharing programs, al-

though the latter is considered to be a broad-based type of scheme related to company results and is described in Poland as a 'bonus,' yet it does not have legal basis.

In comparison to other EU states, the situation in Poland does not appear optimistic and the level of employee ownership in large enterprises is substantially low, as is the dynamics of development.

Research Method

The research was based on a survey sent via e-mail. This is an optimal method due to the nature of the community analyzed, the situational context of conducting the research and most of all the specificity of the issues examined. This method is based on respondents providing written answers. The drawback of this method is the possibility of conducting the survey only with those who have access to the Internet.

Respondents were provided with limited general information on who conducted the research, the topic and purpose, and were guaranteed anonymity, especially if the subject is sensitive and requires providing information that is a trade secret. This technique becomes useful when a researcher needs to collect data quickly. It was assumed the surveys were filled in by people whose answers are highly desired by the client. The survey form was divided into 3 parts and contained 51 questions. The first part concerned information on the company, the second information on financial programs, and the third assessment of worker participation in the programs of FP. A small number of questions were closed questions; the others were multiple answer and multiple-choice questions.

The survey was prepared based on numerous, similar surveys used by international companies and organizations to research the same problems (i. e. Dutch and Slovenian companies), yet their scope and analyses are broad-based. The survey prepared for Polish companies was slightly modified, to be suitable for Polish conditions. Each question had additional sub-clauses that described the precisely analyzed issues. The research was conducted on a sample of Polish companies listed on the Warsaw Stock Exchange. The general number of companies covered by the analysis was 645.

Companies that had at least one out of three major FP programs, namely a share ownership, profit sharing or stock option scheme, were chosen for the sample. In order to single out companies with financial programs, phone calls were made to all the companies to ask if a program had been introduced.

Through making calls, 121 companies were chosen and subse-

quently sent the questionnaire via the Internet. Monitoring the return of the forms was difficult and time consuming due to a high number of firms and frequent necessity to remind the companies to return the form. In many cases, the interviewers had to physically visit the company in order to help fill in the survey. The survey was primarily conducted from 3 November 2010 to 31 January 2011, but was extended for some companies. Information was collected by five interviewers. In 28 instances, it was impossible to receive return information, and before starting the statistical analysis, those entities that provided incomplete data of more than 50% had been removed from the survey. Consequently, further analyses were based on the information achieved from 73 companies. One could question the representativeness of the sample, but the author's intention was primarily to explore certain relationships in companies where any participatory program was implemented.

Preliminary Characteristic of the Results: Marginal Distributions

A statistical analysis of the collected data was conducted in several dimensions. Economic perspective, structural indicators, as well as relationships between significant variables, were investigated.

The first part, devoted to analyzing the data, focused on the structure of the so-called marginal distributions of variables. Later, emphasis was placed on the relationships between the questions, describing in detail the level of the contingency coefficients, i.e. Pearson's C and Kramer's V, together with the accompanying levels of significance. The described structure refers to the most important characteristics of the examined companies. This allowed divisions to be made according to significant criteria and demonstration of the relative frequencies of the emerging variants of an examined feature, expressed mostly as a percentage value.

Among the listed companies covered by the research, in which participation programs are implemented, the most popular were those operating in the field of real estate trading (17.8%) and the firms from the financial and insurance sectors. Another large group included companies representing the following fields: information and communication (12.3%) and waste and sewage treatment. There was 6.8% of companies whose activity could not be covered by any of the established categories. Every tenth company that took part in the survey operated in the field of wholesaling and retailing, as well as motor vehicle servicing and processing industry. The companies with the smallest number of representatives were those from the

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TABLE 1 The Structure of a Company's Main Field of Activity

Fields of activity	Percentage
Mining and extracting, chemical industry	4.10
Processing industry	9.60
Publishing activity; fabric and clothing manufacturing	4.10
Water supply; waste and sewage treatment	12.30
Wholesaling and retailing; motor vehicle servicing	9.60
Information and communication	12.30
Financial and insurance activity	17.80
Real estate market operating activity	17.80
Professional, scientific and technical activity	2.70
Health care and social assistance	1.40
Recreational, entertainment, sports activity	1.40
Other activities	6.80

TABLE 2 Employee Structure in the Surveyed Companies (percentage)

Personnel group	0–20	21–40	41–60	61–80	81–100
Managerial workers	49.3	43.9	6.8	–	–
White-collar workers/specialists	–	32.9	26.0	27.4	13.7
Administrative/office personnel	60.3	39.7	–	–	–
Blue-collar workers	53.3	36.7	3.3	6.7	–

NOTE n = 73.

health care and social assistance sectors as well as the firms from the recreational, entertainment and sports industry.

The analysis of the number of employees in the companies shows that the highest percentage of them employ over 250 people (35.6%), which means they are large enterprises. Companies that have between 51 and 250 employees represent 34.4%. The least represented were small companies employing between 10 and 50 people (30.1%).

The analysis of the structure of employees is included in the research (table 2). According to the opinions of company representatives (especially CEOs), it is clear that in every company the highest percentage is represented by white-collar workers/specialists. In every seventh company (13.7%), these workers represent at least 80% of the company, and more than 2/3 (26% + 27.4% + 13.7%) claim the percentage of specialists is over 40% of all personnel. Six in ten (60.3%) respondents are of the opinion the number of people represented by the administrative personnel in their company does not exceed 20% of all employed. In every second company, fewer than every fifth employee is a member of management, and almost every fifteenth re-

TABLE 3 Employee Financial Participation Programs Offered to Particular Personnel Groups

Personnel group	(1)		(2)		(3)		(4)		(5)	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Managerial workers	79.5	20.5	11.0	89.0	0.0	100.0	30.1	69.9	0.0	100.0
White-collar workers/ specialists	23.3	76.7	8.2	91.8	0.0	100.0	12.3	87.7	0.0	100.0
Administrative/office personnel	19.2	80.8	8.2	91.8	0.0	100.0	0.0	100.0	0.0	100.0
Blue-collar workers	0.0	100.0	0.0	100.0	0.0	100.0	0.0	100.0	0.0	100.0

NOTES Column headings are as follows: (1) stock/share ownership, (2) cash-based profit-sharing, (3) deferred profit-sharing, (4) stock/share options, (5) pension schemes.

spondent declares that from 2/5 to 3/5 of all employed are members of management.

Table 3 contains collective information on the major FP programs offered to company workers. Looking at this information, it is clear that management is offered shares/stocks in the company (79.5% of firms) and stock/share options (30.1%). Cash-based profit sharing is offered to management in every ninth company covered by the survey (11.0%). The white-collar workers/specialists participate in share ownership in almost every fourth company (23.3%), are granted share/stock options in every eighth company (12.3%), and in every twelfth (8.2%) they participate in cash-based profit sharing. The administrative personnel may count on share/stock ownership in almost every fifth (19.2%) company in the analysis, and in every twelfth (8.2%) for cash-based profit sharing.

No answer was received in regard to deferred profit sharing and pension schemes. The absence of broad-based FP programs in the surveyed companies confirms an opportunistic attitude of regular workers, and these schemes are offered in Poland to every personnel group, except regular workers, whereas in foreign enterprises they cover both high-level and low-level workers. It is reflected in the economic results achieved by companies and the relationships between the structure of employees covered by participation and these results. As is seen from the international research, economic results are higher if the availability of programs for all employees is better (Braam and Poutsma 2010). There are no such relationships in the

TABLE 4 Declared Changes in Ownership Structure in the Analyzed Companies
(percentage)

There will be a takeover of the enterprise and the share of foreign capital will increase	4.20
Ownership rights will be concentrated in the hands of a narrower group of external owners and the regular workers' participation will increase	2.80
Participation of regular workers in the ownership structure of the company will increase	19.70
Ownership rights will be concentrated in the hands of a narrower group of external owners	2.80
Ownership rights will be concentrated in the hands of a narrower group of internal owners	19.70
The present structural model will be continued	50.80

analyzed Polish companies. This agrees with the results of the international research, in which only participation on the side of managerial workers had no impact on the economic results, or this influence was even negative (Braam and Poutsma 2010).

The representatives of the companies were also asked to answer a question concerning the attitude of managerial workers to regular worker participation in ownership or profits of the company. The type of employee structure did not have an influence on the answers. In most cases, management did not express similar views on this matter, nor had negative opinions on allowing regular workers to participate in FP programs. From the analysis of the answers, it can be assumed that managerial personnel do almost nothing in order to maintain or increase regular worker participation in the schemes (Pearson's C = 0.513). This would confirm almost absolute absence of regular personnel in those programs and limit them to other categories of employees. It is not optimistic information, bearing in mind a large percentage of regular employees in companies. Such an approach may suggest that in spite of the official positive declarations, the unwillingness to share the power and profits in companies is still incredibly strong and because of this, Polish companies with FP programs have low positions among other European countries.

One of the questions asked to company representatives referred to planned changes in the ownership structure of the company that are to take place in following years.

The answers from multiple-answer questions show that 50.8% of those interviewed say that the present model of the ownership structure will still be followed. This may suggest that half of the companies were satisfied with the current situation. Every fifth respondent

(19.7%) declared that the percentage of regular workers in the company's structure will go up. The same percentage (19.7%) said that ownership will be in the hands of a narrower group of internal owners, which should be interpreted as a potential takeover of shares by a current owner. According to only 4.2% of respondents, there are attempts to take over the company and to increase the foreign capital. This may result in being more dependent on foreign entities or structural changes. Each of these options brings substantial alterations, which made clear from the answers, are not desired by the companies. Only 2.8% of respondents stated ownership will be in the hands of a narrower group of external owners or that ownership will be in possession of a narrower group of external owners and the percentage of regular works will be higher.

The respondents were also asked to answer a question on the influence of the increased percentage of regular workers on the economic results of companies. The representatives of most listed companies claimed the increased percentage of regular workers (blue-collar workers) in the ownership structure of the company has positive influence on the economic results achieved by the company. It should be assumed that part of the answers might reflect the thoughts of the respondents on FP and not the actual situation in their company. It should be noted that in most of these companies, regular workers have no share in the ownership structure, so the answer does not refer to their personal experience in the company. Moreover, it can be assumed that their knowledge on the matter is rather insufficient.

Many of the questions refer to the subjective opinions of the respondents. Without additional confirmation, it is difficult to find an objective answer. More than 4/5 are of the opinion that the results of the company simply are improving (59.8%) or definitely improving (20.8%). Among the interviewed people, there were no negative answers in regard to the increased percentage of regular workers in the ownership structure.

In spite of positive answers to a question concerning the relationships between the number of regular workers possessing shares of the company and the economic results, in the case of an optimal ownership structure, according to respondents their share in the overall capital of the company should not be higher than 40% (82.2%). At the same time, the majority of respondents (57.5%) believe that in the best ownership structure regular workers ought to be in possession of less than 20% of shares. Nobody found it optimal to have regular workers owing more than 40%. Interestingly, 17.8%

TABLE 5 An Optimal Ownership Structure in the Surveyed Companies (percentage)

Less than 20% of shares should be in the hands of workers	57.5
20–40% of shares should be in the hands of workers	24.7
It is hard to assess	17.8

NOTE n = 73.

TABLE 6 Distribution of Stocks/Shares among Employees in the Surveyed Companies (percentage)

Distribution of stocks/shares	Yes	No
Equally	16.2	83.8
Depending on the salary	38.0	62.0
Depending on the position	100.0	0.0
Depending on the job seniority	71.7	28.3
Depending on the form of employment	37.9	62.1

of company representatives was unable to clearly define an optimal share ownership structure of a company (table 5).

Regarding the question of the method of distributing participation in profit-sharing/share ownership, all the entrepreneurs claimed the most important determinant that influences this case is the position held, i. e. the personnel group. It depends whether it is a white-collar worker, administrative worker, office worker, low-level manager, senior manager, etc. It may be so due to the position of the people questioned, most of whom were managerial mental workers. Another important factor determining the method of distribution of company shares is job seniority – in the process of time one becomes more privileged. Only in over 1/3 of companies, the level of remuneration and form of employment decides the way in which shares are distributed inside the company. In 62% of companies, the respondents said that the method of distribution does not depend on the form of employment. The level of remuneration reflects the dignity of a particular post: the higher the wages, the more profits the company gains – in this case, 100% of the respondents expressed their positive conviction. It must be noted that respondents could give more than one answer (table 6).

As is commonly known, bonuses from profits or purchasing stocks of companies should reflect economic results. This was a question asked of respondents. Almost 3/4 of respondents stated the money received from FP (stock- or cash-based) is connected with general financial results of the company. However, this declaration was later not confirmed as justified in regard to the relevance of the relationships between the presence of FP programs in companies and the

economic indicators. This means that in the surveyed companies, there is a positive relationship between these variables. It can be assumed that, due to the introduced participation programs, the results of the company are improving.

According to the assumptions, FP programs are advantageous for the company activity in which they were introduced. In the opinion of entrepreneurs motivating employees through additional financial incentives, apart from regular pay, this program is even more significant from the company's perspective, but not a person who makes use of this program. Additionally, the respondents believed the national economy also benefits owing to FP programs, which suggests that motivating the worker is beneficial for all the participants of the economic chain.

In turn, the company whose profits are rising is more willing to introduce and improve participation programs based on profits because it is financially possible for it to do so and it can also allow a larger number of regular employees to participate in the overall success (benefits apart from the standard remuneration are linked to a better situation of the company). Higher results make the shares more expensive; consequently, people involved in the company become richer. A result of the company becoming wealthier may be expansion focused on taking over companies whose financial situation is worse, leading to an increase in its market share. These relationships are complex and not always obvious, yet may occur.

Chairmen and directors of finance often ask themselves questions regarding whether all personnel groups should be motivated in the same way and whether regular workers should be given the same rewards as managers. Considering the benefits from FP, the answer is not obvious. It is difficult to choose incentives that would encourage better work because their impact varies in different personnel groups. This is why incentives should be differentiated. Such behaviour raises controversy and objections on the side of the employees, for example with low-level or regular workers, who feel aggrieved or underestimated in the case of different sizes of blocks of shares or the amount of a bonus. Here, respondents expressed their view that management is much more attached to the company, which results from the post held. It can be assumed that the higher the position, the stronger the attachment to the company. Decisive factors in this case are not only dependent on remuneration and prestige, but on FP programs, which allow a higher risk for the decision-makers, which may pay off in the future. Low-level workers are less responsible for making decisions concerning the company (if they

are decisive at all), which means they feel unnecessary. This is why they become less loyal to their enterprise, their attachment is weaker and they do not identify with the company as much as they should. This attitude is also strengthened by a low salary. In almost half of the companies, blue-collar workers do not earn more than 3,000 PLN per month, and in other companies, their pay does not exceed 2,000 PLN (author's research). Therefore, it is not surprising they do not express attachment to the company and are unwilling to cooperate.

Another question asked of respondents referred to defining factors that may influence the realization of each of three programs: share/stock ownership, share/stock options and profit sharing. The interactions have been classified as barriers, facilitations and no effect.

For the first of the aforementioned programs, the crucial facilitations were as follows: tax incentives (79% of the companies), costs of social insurance (59%), employee interest (68%), owner interest (84%), owner decisions (62%) and company culture (66%). A serious barrier was presented by accountancy regulations (42%), the requirements concerning securities, as well as the level of knowledge of the program (38%). According to the respondents, the greatest difficulty in realization of a share ownership program was the presence of other incentive stimuli for the workers (72%). In the opinion of the same number of respondents, personnel structure (52%) and market conditions (52%) facilitate the realization of the program in the company. The second most popular participation scheme was a share/stock option program. In this case, the factors that make its realization easier include owner decisions (64%), company culture (59%), employee interest (50%) and tax incentives and costs of social insurance (both 44%). Regarding the factors considered as barriers to realization of this program, the most frequently chosen are: the level of knowledge in this field (96%), the structure of the scheme and the accountancy regulations (both 68%), and program administration costs (44%). It appears that the structure of the program and unclear regulations are mostly the result of the lack of proper knowledge on the matter, which definitely discourages entrepreneurs from introducing option programs.

While analyzing the factors that may exert influence on realization of profit-sharing programs, despite a small percentage of respondents who declared this scheme had been or was introduced in the enterprise, the barriers are clear and visible. All respondents stated that the main factor disturbing the realization of schemes is the costs of social insurance. On the other hand, in regard to factors fa-

TABLE 7 The Type of Program as a Stimulus for Particular Groups of Personnel in the Surveyed Companies (participation in income – profit sharing, percentage)

Personnel group	Yes	No
Blue-collar workers	8.9	1.1
Administrative/office personnel	6.1	3.9
White-collar workers/specialists	1.9	8.1
Managerial workers	1.9	8.1

TABLE 8 The Type of Program as a Stimulus for Particular Groups of Personnel in the Surveyed Companies (participation in ownership, percentage)

Personnel group	Yes	No
Blue-collar workers	1.4	8.6
Administrative/office personnel	3.9	6.1
White-collar workers/specialists	8.1	1.9
Managerial workers	8.9	1.1

cilitating the realization of this particular program, representatives of different companies pointed to several equal options: level of interest and owner decisions, company culture (perceived as a set of values that help members of the organization understand what the attitude of the organization is, how it works, and what it considers to be important) (Nogalski 1998; Kostera 1996), international regulations, company structure, market conditions, labour law and benefits that may be offered to workers who earn less.

The analysis of the data concerning which form of stimulation and in what manner influence the particular personnel group, shows that the higher the position, the more interested workers are, not only in a financial reward, but also in having their share of ownership of the company (tables 7 and 8).

Almost nine in ten representatives of management would decide on company shares, and only every fifth of them cash reward. In regard to physical workers, only 14.2% would choose company shares as a form of additional remuneration, in comparison to 89% of the examined companies, in which regular workers would opt for profit sharing. This may mean that employees in Polish companies do not think ahead or see themselves as potential managers. Similar attitudes were expressed by administrative/office workers, 3/4 of whom, according to the research, are driven by a short-term desire to maximize their profits. Completely different attitudes were shown by mental workers, who in 70% of the companies were more interested in maximizing their profits in a longer run.

Conclusions

Having conducted the analysis of factors that may exert influence on realization of particular programs, now is a good moment to present the effects of introduction of all participation solutions. The impact of the programs on the results may be positive, negative or neutral. Considering ownership of stocks/shares, this program exerts positive influence on profitability and the opportunity to show company appreciation to workers (both 96%), work motivation and satisfaction (both 92%) and identification of oneself with the company (75%). On the other hand, in the opinions of respondents, the factors that may be influenced negatively by the program include relationships between workers and management (43%) and the workers themselves (24%). In regard to profit sharing, respondents had identical views.

The program had positive influence on most of the factors listed in the survey. There were no negative results given by respondents of implementing the scheme. Stock/share options is a program that has positive impact on such attitudes as identifying oneself with the company, opportunity to show that the company appreciates its workers, the value of the enterprise (100%), profitability, acquiring suitable employees, work motivation, enterprising attitudes and behaviour of the employees, identification with the organization, direct participation, satisfaction with work and safety (95%). Other effects also were also positive. From the point of view of interpersonal relations, the crucial problem resulting from introduction of the scheme seems to be a fear that relationships between workers themselves, and workers and management, may worsen. These social internal relations within the company should be taken into account while introducing the schemes and deciding the benefits depending on the position held.

Having examined the major programs and factors that have influence on their realization in the company, in spite of the multitude of programs, a theme emerges. Determinants of barriers in the introduction of FP schemes are the level of knowledge in the field of realization of a particular scheme and accountancy regulations. Accountancy regulations are unclear or simply do not exist. However, more factors can make realization easier, including tax incentives, employee interest, owner reactions (interest and decisions), company culture and its ownership structure.

It must be noted that the majority of highlighted factors that facilitate realization of a scheme are endogenic by nature. Before the in-

introduction of a program, the company should make the right choice, in order to match its goals and needs and then provide the whole of personnel with proper training concerning introduction and realization of the scheme. The aforementioned factors should be firmly considered only as declared expectations in this matter because the percentage of companies having participation schemes could have been higher if, for instance, the interest in their implementation had been more extensive or the tax incentives had been more stimulating for the development of such schemes.

The effect of analyzing the structure is the conclusion that **FP** programs generally have positive influence on the functioning of the enterprise. However, the effects are rather social than economical. More rigorous statistical analysis carried out by the author did not bring satisfactory results. There are questions that need to be answered, for example, why do so few companies operate **FP** programs and why are they not broad-based?

Considering the statistical compilation of materials, it must be noted that the sample including 73 companies is too small to provide plausible statistical results, which could be a generalization of the statistical measurement values, achieved on this basis, with regard to the population of enterprises in Poland that have introduced any form of **FP** program. Regarding statistical values, one should consider structural indicators and contingency coefficients.

The purpose of this paper is to present selected views on attitudes toward relationships between employee participation and company results. After many years of conducting empirical research on the benefits from implementation of **FP** plans, the information provided almost only by reports is insufficient to make a uniform decision concerning influence on the results (productivity) achieved by companies. Acquiring the aforementioned opinion is additionally hindered due to the lack of clear-cut data and to what extent the implemented participation schemes contribute to the change of financial results.

The previous theory and research conducted so far do not convincingly explain the relationship between **FP** schemes and results achieved owing to their implementation, which only proves there is a need to conduct further research in this field. In this case, an empirical approach should concentrate on qualitative research and not quantitative, which although broad based, does not precisely identify the aforementioned relationships. Another conclusion that can be drawn is a necessity to conduct further research based on larger samples of companies, taking into account their business specificity

and environment. It seems other aspects should be taken into consideration, such as the type of introduced FP scheme because this decision may have influence on future results. Research should be started a long time before introduction of a scheme, which would allow for making future comparisons and evaluations of influence of a given scheme on productivity.

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