The rationale and development of organizational democracy scale

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Abstract

The idea of bringing democratization at the workplace has been present in management literature for decades. Literature has witnessed an increased interest of researchers on this topic, especially after the 2003 Academy of Management Annual Meeting conference having the theme "Democracy in a Knowledge Economy," and August 2004 special issue of the *Academy of Management Executive*: "Democracy in and around Organizations." To further explore this underpinned concept, the present study aims to refine and develop the organizational democracy construct. Using in-depth literature analysis published in last three decades on organizational democracy, ten dimensions (freedom, fairness, integrity, tolerance, shared responsibility, structure, transparency, knowledge sharing, accountability, and learning environment) were identified, leading to the development of its conceptual framework. By deploying established scale development procedures, the organizational democracy scale was developed, refined, and validated. The new organizational democracy scale consists of forty-five items consistent with theory and practice. The scale will assist future researchers and industrial practitioners in a deeper exploration of this construct and organizational managers for establishing, assessing, and improving democratic practices at their workplaces.

Keywords: democracy; organizational democracy; workplace; scale development

Introduction

The traces of supportive, protective and developing connections between employees and workplaces are as old as human's working history. Nowadays, organizations are more concerned about employee rights, empowerment, and representation rather than spending on massive building structures, largescale operations, and so on (Han & Garg, 2018). This shift in paradigm resulted in consideration of alternative management styles (Luhman, 2006) that are more employee-oriented, are supportive, capture modern-day challenges, and strengthen the relationships between employees and the workplace (Ahmed et al., 2019). One of those alternative management styles suggested and investigated during the last few decades was bringing *democracy* at workplaces, describing the systems of exercising workers' or representatives' power (Frega et al., 2019). Scholars (Geckil & Tikici, 2018; King & Land, 2018) and industrial practitioners (Fenton, 2012) have advocated the incorporation of democratization at workplaces will result in the success of the organization (Michaud & Audebrand, 2022). Slater and Bennis's (1964) article published in Harvard Business Review foresaw that democracy would be a trend in both workplace and society, as it is the most efficient social system in times of unrelenting change. Democracy is a political system that refers to the control and authority of the people in decision making within an institution. Its history can be traced back to seventh century BC where political philosophers defined it as a sociopolitical system consisting of specific models, derived from nature, that conceptualize civil liberties and their relationship with people which can enhance human virtues. Over the years, this Western-based political concept started to penetrate the Western economic system and then into Western organizations (Kerr, 2004). In the political context, democracy is the most © The Author(s), 2022. Published by Cambridge University Press on behalf of V.K. Aggarwal

acceptable and practiced system to govern states. However, when it comes to organizations, the same citizens who vote for democracy in the country work in hierarchically controlled organizations where they have no or little say in organizations' strategy formulation (Jong & Witteloostuijn, 2004). Though elusive and seductive, the idea of the democratic structure of organizations has not been prevalent (Nadesan & Cheney, 2017), and despite modernization, hierarchies, bureaucracies, power structures, and control mechanisms are dominating the contemporary organizations.

Consequently, attached to this corporate authoritarianism are costs like poor productivity and high absenteeism. Employees feel disconnected in these organizations and report low job satisfaction (Moriarty, 2010). However, evidence suggests that organizations that grant more freedom and involve employees in decision making secure more loyalty and creativity and thus become more efficient and agile (Adobor, 2020). Not that all the organizations around the globe are entirely undemocratic, but there is little evidence to support the presence of a wholly democratic organization and its benefits. We do find traces of partial democratization in the form of employee empowerment, employee participation, freedom at work, and so forth. However, all these concepts do not holistically cover the concept of democracy in organizations. As defined by Harrison and Freeman (2004), democracy at the workplace means "any action, structure, or process that increases the power of a broader group of people to influence the decisions and activities of an organization can be considered a move the workplace toward democracy."

The philosophical underpinning of organizational democracy has been increasingly improved in the last few years especially after the 2003 Academy of Management Annual Meeting conference that had the theme of "Democracy in a Knowledge Economy," and with the August 2004 special topic issue of the *Academy of Management Executive:* "Democracy in and around Organizations." After these sessions, a formal chain of investigations on democracy at the workplace got started. However, these theoretical developments and investigations raise many fundamental questions about its executions, structure, relationships, design, and formations (Nadesan & Cheney, 2017). Many scholars tried to answer these basic questions, but again empirical evidence was either missing or unclear; thus, a prodigious research effort was needed. Battilana et al. (2018) highlighted establishing valid measures for organizational democracy as one of the challenges in implementing the democratic model in industrial and institutional contexts. Felicetti (2018) argued that more empirical studies are essential for better theorizing democracy construct at the firm level (Frega, 2017).

Furthermore, the need for more knowledge from educational and professional institutes to make the democratic workplace viable. Vopalecky and Durda (2017) stated that the effectiveness of democratic practices for the firm is still unexplored. The present research, therefore, was aimed to refine the construct of organizational democracy at its conceptual and theoretical level. It tries to develop and validate a comprehensive scale for measuring organizational democracy by doing, first, extensive literature review for identifying various dimensions and subdimensions of organizational democracy and second, doing an empirical study to test our theoretical contribution. The construct validation for organizational democracy will be a valuable contribution to management literature, as the lack of a validated scale impedes the implementation of a democratic model at the institutional level (Battilana et al., 2018). So far studies on organizational democracy have been done in Germany (Verdorfer & Weber, 2016), Czech Republic (Vopalecký & Durda, 2017), Turkey (Geckil & Tikici, 2018), United States of America (Ducasse, 2016), South Africa (Holtzhausen, 2008), England (Branthwaite, 1991), Australia (Karstedt, 2015), Portugal (Stoleroff, 2016) and in other Western countries, but the Asian literature is scant in this area (Yazdani, 2010). Hence this study will also be a valuable contribution to Asian literature where in most countries, democracy, whether at the workplace or in the country is a much-needed dream that everyone wishes to come true. Third, this research will also attempt to delve into the epistemology of organizational democracy construct to explain how the concept was originated and could be used by industrial practitioners and academic scholars. Fourth, the scale will provide a concrete and actionable instrument to academic researchers and industrial practitioners for assessing democratic practices at workplaces and helping them to learn more about organizational democracy and its impact on organizational growth, development, and performance.

Literature review

How did it all started?

The idea for democracy has long been advocated for organizations (Turabik & Atanur Baskan, 2020). The word democracy is usually associated with politics, known as "Dēmoskrátos" in Greek, and its literal meaning is "rule of the people." According to the Merriam Webster dictionary, in modern usage, it is: "government by the people; especially: the rule of the majority" and, since three millenniums, the phenomenon of democracy has been under constant debate. Mueller (2014) argued that for centuries, there had been plenty of speculations among philosophers and thinkers about what democracy is, what it can be, and if it is worth the importance. Nonetheless, despite these speculations, continual efforts have been observed to turn states into more democratic ones, make citizens more politically equal, and transform the decision-making process based on consensus controlled and owned by people. For more than 2,000 years, democracy remained a noun designating "a system of rule." Over the years, this Western-based political concept started penetrating Western economic systems and then Western organizations (Kerr, 2004). Harbold and Dahl (1957), being the earliest to propose the ideas of democracy in the organization, considered it the most reliable means of protecting and advancing all the people's goods and interests subject to the collective interest. It is a perpetual ongoing political movement of the potentiality of citizens to have and execute power on a regular and daily basis (Marquez, 2015). Today, democracy is not just a specific model of government or state. It is a concept that surrounds a wide range of attitudes, values, and practices formed bypassing various eras of social and economic movements. The movements in decades helped to emerge democratic principles in economic and social systems, which incrementally and institutionally enter into democratic workplaces creating a conducive framework of a cooperative market system (Yazdani, 2010). Dahl (1985) put it somewhat by saying that if democracy is justifiable for running the state, then it is also justifiable for running the organizations. If it is not justifiable for running organizations, then it is not justifiable for running the state.

Introduction to organizational democracy

Democratization, or democracy at the workplace, is a term used to denote almost everything, from nonauthoritative managerial style to worker-managed or participative firms (Ahmed et al., 2019). It surrounds a wide range of meanings, but inextricably intertwined terms and concepts like "participative," "alternative management," "labor managed firms," and "freedom at work" remain attached to it explanations. However, worker or employee participation in decision making remained the conventional interpretation of organizational democracy (Klinke, 2016; Seibold & Shea, 2001). In short, organizational democracy is a process, specifically collaborative development, a celebration of self-reflection and individual opportunity. Laclau (2014) considered democracy at the workplace a great signifier of development, as its apparent optimistic meaning provides great value to people. In his view, democracy provides a broad way of thinking about conventional approaches that squeeze contestation and discords. However, it was also argued that it does not directly influence the degree of precarious workers' political and economic inclusion; rather, it is the structural and institutional context in which it operates (Marino et al., 2019). It is the meaning of the struggles for purpose, generating energy and meeting head-on problems regarded as previously intractable (Smolović Jones et al., 2016).

Literature has widely supported the notion of an opportunity to participate in decision making in organizational democracy. Studies found its significant impact on satisfaction, enhanced shareholder commitment, boosted innovation, and improved organizational performance (Harrison and Freeman, 2004). It also positively affects employee citizenship behavior, employee social-moral atmosphere, and organizational commitment (Geckil & Tikici, 2016; Weber et al., 2008). The presence of democratic practices in an organization can bolster employee skills and knowledge level, eradicate non-professional behavior, and raise work efficiency (Yazdani, 2010). Thus employees working in democratic organizations have better control over their jobs and work arrangement (Foley & Polanyi, 2006) with challenging organizational structures and practices (Harrison & Freeman, 2004; Yazdani, 2010). A study conducted by Oseen (2014) revealed that an increase in pay inequality could be

decreased by democracy in the workplace. Due to its positive impact on individual and organizational outcomes, it is an inalienable right to have democratic practices. Every worker should have a meaning-ful *choice* of democracy at work (Adobor, 2020). But in large multinational corporations, there exist fundamentally undemocratic systems. Workers are forced to join unjust hierarchical systems that are structurally unequal (Malleson, 2013). These approaches limit the potential of organizational democracy, and its understanding remains confined to "politics" only. Researchers have also highlighted certain factors such as the need for innovation and development, meeting globalization challenges, and improving workplace atmosphere, which may encourage the organizations to adopt democratic practices (Heller, 2003).

According to the literature, there has always been a tendency for democratic practices in organizations. However, its development, both conceptually and theoretically, has been slow. A complete understanding of the construct is still underway, and its components are not fully described, making it difficult to measure democracy (Coppedge et al., 2011). A recent study conducted by Battilana et al. (2018) comprehensively reviewed 247 articles on the topic, out of which only 27 tackle democratic forms of organizing. Since 2002, only ten empirical studies have existed on measuring democratic practices in organizations (Alves et al., 2016; Collom, 2003; Geckil & Tikici, 2018; Holtzhausen, 2008; Jon, 2002). The first three research works used proxy scale including self-constructed index and communication to measure democracy. Weber and colleagues in their studies use De Facto Participation Power Scale (1981) to measure participative decision making. Geckil and Tikici (2015) prepared the Organization Democracy Scale (ODS) to measure the perception of organizational democracy in the organization. However, their work was published in a Turkish journal, which got delisted from the internet last year. Apart from these researchers, many professional trainers, authors, and experienced industrialists (Dam, 1976; Ducasse, 2016) tried to contribute to its conceptual advancement. The effort/struggles for forming and constructing dimensions and measures for this vital construct are present in literature. Table 1 highlights the comparison of a few researchers and practitioners who tried to capture the concepts, principles, and dimensions of organizational democracy. Both practitioners (Fenton, 2012; Hajzler, 2017) and scholars (Yazdani, 2010) emphasize on requirements of being democratic, but because there is no conceptual consensus available; hence defining, capturing, and measuring this important organizational construct with all its facets and dimensions was still missing.

Methodology

Scale development is not merely assembling items for the measurement of a concept. Rather, it denotes a very careful and meticulous process to reach a reliable and valid scale. The study took two years to complete and adopted four primary steps as suggested by literature for scale development (DeVellis, 2017; Hinkin, 1995), including (1) construct definition, (2) generation of items, (3) designing the scale, and (4) complete administration and analysis. To better understand the concepts, background, role, and features of organizational democracy, the study started by conducting an in-depth review of the literature, including books, journal publications, reports, dissertations, special editions, industrial practitioners' publications, and conferences proceedings published till January 2022. The search began with thirty-two search terms enormously used as a synonym for organizational democracy, including industrial democracy, workplace democracy, participative management, participation in decision making, worker ownership, postbureaucratic, empowerment, union-based organizations, worker-owned firm, alternative to hierarchical models of organizations, corporate democracy, flat organizations, network organizations, worker participation, self-directed organizations, participative firms, economic democracy, democratic decision making, decentralized authority, less hierarchical firms, worker ownership, employees stock ownership, employee ownership, self-management, democratic worker organizations, union democracy, labor-managed firms, human economy, democracy in firms, market democracy, and voice at work (Geçkil & Tikici, 2015; Luhman, 2006; Robb, 2011). The results showed more than 4,000 journal articles, dissertations, magazine publications, and other related documents having democracy or democratic practices in their keywords or title. After a deep down analysis of extracted material, 250

Table 1: Various dimensions on organizational democracy.

S#	Strauss (1982)	Luhman (2006)	Yazdani (2010)	Tavaras (2011)	Fenton (2012)	Geckil and Tikici (2015)	Battilana et al. 2018	Hajzler 2017	Safari et al. 2018	Han and Garg 2018
1	Organizational Level	Accountability	Participative Management Practices	Accountability	Accountability	Accountability	Greater Decision Rights	Sense and Vision	Decentralization	Accountability
2	Degree of Control	Information Access	Employee Voice	Transparency	Transparency	Transparency	Democratic Culture	Transparency	Individual Rights	Transparency
3	Range of Disuses	Common Solidarity	Structure	Purpose and Vision	Choice	Participation	Employee Ownership	Dialogue and Listening	Criticism System	Democratic Leadership
4	Employee Stock Ownership	Gender Equality		Fairness and Dignity	Reflection and Evaluation	Criticism		Fair Play and Dignity	Organizational Justice	Voice
5	Program (ESOP)	Task Control		Cultural Democracy	Decentralization	Justice		Responsibility	Free exchange of Information	
6		Right's Appeal		Critical Consciousness	Vision and Meaning	Equality		Individual and Together	Independent Communities	
7		Social Council		Choice and Leadership	Dialogue and Listening			Opportunity to Choose		
8		Specialized Management Role		Commitment and Participation	Individual and Collective			Decentralization		
9		Task Variety		Training and Education	Integrity			Feedback		
10		Tolerance and Respect		Decentralization	Fairness and Dignity					
11				Empowerment						
12				Integrity and Self-esteem						
13				Individual and Collective						

documents appeared relevant (articles/dissertations/related documents, e.g., reports, editorial notes, book chapters). The researchers continuously searched for every improvement/addition on the subject construct during the period. As the study's objectives were to explore and investigate the actual meaning, scope, and dimensions of democracy at the workplace, the first step was to define the construct by literature evidence. Accordingly, organizational democracy is "a system of organizational governance based on principles of autonomy and freedom giving employees equal rights to participate, share, involve and contribute in organizational affairs directly or indirectly for attaining overall objectives and goals of the organization."

Table 1 highlights the dimensions of organizational democracy presented or discussed in literature at various contexts over the years. A comprehensive content analysis was performed to review the identified literature, its outcomes, and future guidances. Based on understandings and results extracted, ten dimensions were identified that had been repeatedly used by organizational democracy researchers in their work over decades including including freedom, fairness, integrity, tolerance, structure, shared responsibility, transparency, knowledge sharing, learning environment, and accountability. After identifying dimensions from content analysis, the next step was to create the initial pool of items (DeVellis, 2017). As inductive approach was followed, an initial pool of 113 items was earlier extracted with an assumption to be the most appropriate measures for organizational democracy. The pool provides broad coverage of the construct and gives room to the reviewers and experts to remove redundant or partially related items from the final scale at the earlier stages, without concern for too many lost items (Stage & Manning, 2003). Several steps were taken for the purification of the initial pool of 113 items generated in the item-generation stage. This large pool of items was submitted to ten reviewers (faculty members of universities having expertise in research and knowledge of the field). The reviewers were provided with a brief explanation and description of the construct and its dimensions. In addition to capturing the responses, members were asked to mark comments on wording, relevance, representativeness, and coverage. The initial review of the 114 items led to the elimination of 15 items leaving 99 for the next phase/stage. The items were deleted as several members did not find them relevant. To generate more clarity, adequacy, and conciseness, the deletion was reassessed and then accepted based on creating a wide range of generalizability of organizational democracy scale to all situations. The remaining ninety-nine items were then revised, rearranged, reviewed, and presented to the expert panel in the next stage.

A panel of three senior subject matter experts (PhDs) were requested to review the initial ninety-nine items to ensure content validity (DeVellis, 2017). To avoid biasness, subject matter experts were selected based on their research experience and contributions; the number of three was chosen to avoid any conflict over any item or matter. After receiving the final comments and suggestions, one more round of revision was made, trimming twenty-six more items and leaving the final initial pool of seventy-three items, which was then used for the next stage, that is, data collection in scale development.

Results

A multistaged development study was conducted using procedures suggested by scholars. DeVellis (2017) outlined the best practices and methods for scale development; hence items were created following the same guidelines.

Scale refinement

The scale refinement step includes conducting statistical tests for deleting nonefficient or problematic items from the scale. For this purpose, data from two different samples were collected, first from education/academics (universities, colleges, and schools) and others from industry (banks, manufacturing firms, consultancy firms, etc.). The reason for this bifurcation was to get validation of the construct from academia and industry. Data from academia was used in scale refinement, while data from industry was used for scale validation. Using self-administered questionnaires, a sample of 310 respondents from various universities was collected. Exploratory factor analysis (EFA) was then performed for

identifying important properties of scale by empirically determining its number of constructs or latent variables or factors underlie a set of items. EFA was performed using IBM SPSS VERSION 25.0 on the first sample obtained from the educational/academic sector, with two major objectives: (1) to reduce the number of items on the scale so that maximum scale variance can be obtained from the remaining items (Netemeyer et al., 1995) and (2) to identify the underlying dimensions/factors for organizational democracy scale. The EFA was followed by orthogonal (VARIMAX) rotation as this method was due to moderate correlation among the dimensions extracted (James, 2009). To attain an appropriate number of factors and items, several estimating criteria were set, for example, total variance explained, eigenvalues, factor loadings, and scree plot. Deploying the combination of these criteria, the initial analysis extracted nineteen factors with total variance explained, amounting to 58.11 percent. Bartlett's Test of Sphericity was 16,836 with a significance value of 0.000, showing that factors were appropriate. Kaiser Meyer Olkin's (KMO) value for this initial analysis appeared 0.83 falling under the category of meritorious (between 0.80 to 0.90) as suggested by (Kaiser & Ford, 1984). The analysis was run several times. In each run, the factors that were appearing below the threshold value for factor loading (r > 0.40; Floyd and Widaman, 1995) and communality (r > 0.50) or appearing in more than one factor were eliminated (James, 2009). The action extracted a forty-six-item organizational democracy scale, with ten dimensions/factors with an eigenvalue above 1, which accounted for 78 percent of the total variance. The KMO value for the final analysis was 0.83, and Bartlett's Test of Sphericity was 12,459 with a significance value of 0.000. Table 2 explained the mean, standard deviation, reliabilities, and factor loading values resulting from the final run of EFA.

Scale validation

After the successful completion of scale refinement steps using EFA, the next stage was scale validation. Scale validation further adds the authenticity and validity of the constructs. On the refined forty-six items extracted as mentioned previously, the second sample of 304 respondents was obtained from industry (services and manufacturing firms). The reasons for collecting the sample from the working group are: (1) the organizational democracy construct is under consideration and refinement both at the academic (Geckil and Tikici, 2015; Han and Garg, 2018; Safari et al., 2017) and industrial practitioners' level (Fenton, 2012; Hajzler, 2017), henceforth obtaining sample will provide evidentiary support from the industry to our study and (2) to ensure that scale resulting from EFA is not a mere quirk of the initial development sample (DeVellis, 2017).

To provide the evidence for organizational democracy scale validation and fitness of good, CFA was performed. The hypothetical model for CFA using maximum likelihood estimation for assessing the stability of the dimensions in the organizational democracy scale was calculated. The model specifies all the ten extracted dimensions of the organizational democracy scale and uses the model fit indices tool to assess overall model fitness (Hoe, 2008).

The final model was examined on forty-six items as extracted from EFA using ten factors, with standardized factor loading. Standardized factor loading was used instead of unstandardized with the value of 0.5 adopted as a criterion from studies (Netemeyer et al., 1995). This helped uncover the items that do not strongly correlate within a factor, thus eliminating it for getting a more accurate instrument. Similarly, several other considerations were made to determine which item should remain part of the organizational democracy scale and which should not improve the overall fitness-of-good (James, 2009). Confirmatory factor analysis (CFA) using maximum likelihood estimation was performed using ten factors with forty-six items as extracted from EFA. Factor loading and squared multiple correlations (SMC) for all the items was assessed. All the items (except one) had values above the threshold value of 0.5 (coefficient of determination). Table 3 shows the standardized factor loading of forty-five items along with the respective T-values as retained after the final analysis. As evident, the standardized factor loading of each item and their associated T-value appear quite significant (greater than 0.50 and 1.96, respectively). The significant value of individual items' standardized factor loading and T-value provides evidence that items converge well to measure each dimension individually and indicate good convergent validity (Hair et al., 1998).

Dimension	Items	Mean	Std	α	Factor Loading	Dimension	Items	Mean	Std	α	Factor Loading	Dimension	Items	Mean	Std	α	Factor Loading
Freedom	FREE2	1.79	1.02	0.91	0.696	Tolerance	TOL1	1.80	0.98	0.89	0.588	Shared	SHRP1	1.81	0.97	0.90	0.912
	FREE3	1.78	0.98		0.869		TOL2	1.62	0.87		0.883	Responsibility – –	SHRP2	1.80	0.91		0.791
	FREE5	1.77	1.00		0.928		TOL4	1.55	0.79		0.904		SHRP3	1.84	1.00		0.825
-	FREE6	1.75	0.99		0.813		TOL5	1.57	0.75		0.699		SHRP4	2.06	1.01		0.565
-	FREE10	1.74	0.97		0.854		TOL6	1.61	0.83	-	0.854		SHRP6	1.79	0.98	-	0.899
-	FREE11	1.70	0.95		0.702		TOL8	1.62	0.88		0.823		KNOW2	1.77	0.98		0.862
Fairness	FAIR1	2.10	1.11	0.829	STRC2	1.93	1.07		0.844	Knowledge	KNOW3	1.79	0.93	0.00	0.791		
-	FAIR2	1.93	0.94	0.82	0.804	04	STRC3	1.86	1.00		0.770	Sharing	KNOW5	1.77	0.92	0.92 -	0.828
-	FAIR3	1.89	1.15		0.829		STRC4	1.83	1.05		0.844		KNOW7	1.72	0.91		0.902
Integrity	INTG4	1.74	0.92		0.909	Dynamic Structure	STRC5	1.91	1.11	0.94	0.840		ACC3 1.50	0.71		0.899	
-	INTG5	1.71	0.86		0.709	otractare	STRC6	1.85	1.06		0.870		ACC4	1.53	0.79		0.880
-	INTG6	1.79	0.95	0.93 0.874 0.919	0.874		STRC10	1.84	1.03	03	0.825	Accountability	ACC5	1.65	0.84	0.92 -	0.790
-	INTG7	1.79	0.95		0.919		STRC11	1.93	1.05		0.764		ACC6	1.51	0.74		0.946
Transparency	TRANS2	1.96	1.05		0.880								LEARN1	1.70	0.89		0.861
-	TRANS4	2.08	1.05		0.870							Learning	LEARN2	1.71	0.92	0.05	0.871
-	TRANS5	1.89	0.99	0.89	0.618							Environment	LERN4	1.67	0.93	0.95	0.900
-													LEARN5	1.73	0.95		0.890

 Table 2: Mean, SD and factor loading of organizational democracy scale by EFA with VARIMAX method.

 Table 3: Results of the confirmatory factor analysis validation sample.

FREEDOM I can independently make decisions related to my work. 0.73 11.03 1 have the freedom and choice to set my own work pace and schedule. 0.79 10.32 1 have the freedom and choice to set my own work pace and schedule. 0.79 10.32 1 am never forced to do something that I do not like. 0.79 10.36 1 am never forced to do something that I do not like. 0.79 10.36 5 I am never forced to do something that I do not like. 0.79 10.31 FMIFICENT Composition of the end proving my work without being interfered. 0.82 9.84 6 I do not have to meet unrealistic deadlines. 0.74 10.31 FMIFICENTY 0.87 5.55 8 Equal opportunities are provided to every employee for growth, training, development, and allocation of work. 0.80 8.71 1 IN vorganization ensure to hire employees with strong characters. 0.92 4.71 12 The organization rules is taken very seriously. 0.79 9.43 13 Employees and management are not involved in malpractice, including financial more former serious monetary or nonmonetary penalty for emergency or uninformed leaves. 0.62 10.51 17 No actin is taken against anyone without ging a chance to b	S#	Item	Standardized Factor Loading	T-Value
2 I have the freedom and choice to set my own work pace and schedule. 0.79 10.32 3 I am never forced to do something that I do not like. 0.79 10.36 4 I enjoy sufficient independence in performing my work without being interfered. 0.86 9.06 5 I am not given unreasonable workloads. 0.82 9.84 6 I do not have to meet unrealistic deadlines. 0.74 10.31 FAIRNESS 7 There is an air of fairness with respect to reward, benefits, and decision making in my work environment. 0.87 5.95 8 Equal opportunities are provided to every employee for growth, training, development, and allocation of work. 0.90 8.71 INTEGENTY 10 My organization ensure to hire employees with strong characters. 0.92 4.71 11 Violation of organization rules is taken very seriously. 0.79 9.43 12 The organization rules is taken very seniously. 0.79 9.13 13 Employees and management are not misused. 0.62 10.39 14 Positive criticism is taken in a positive spirit rather than personal disgrace. 0.62 10.39	FRE	EDOM		
3 I am never forced to do something that I do not like. 0.79 10.36 4 I enjoy sufficient independence in performing my work without being interfered. 0.86 9.06 5 I am not given unreasonable workloads. 0.82 9.84 6 I do not have to meet unrealistic deadlines. 0.74 10.91 FAIRNESS 7 There is an air of fairness with respect to reward, benefits, and decision making in my work environment. 0.87 5.95 8 Equal opportunities are provided to every employee for growth, training, development, and allocation of work. 0.80 8.711 INTEGRITY 10 My organization ensure to hire employees with strong characters. 0.92 4.71 11 Violation of organization rules is taken very seriously. 0.79 9.43 12 The organization is assets are not misused. 0.86 7.90 13 Employees and management are not involved in malpractice, including financial longenting, leaking confidential information, etc. 0.62 10.39 14 Positive criticism is taken in a positive spirit rather than personal disgrace. 0.62 10.39 15 Noneeformers are given opportunities to improve themselves.	1	I can independently make decisions related to my work.	0.73	11.03
4 I enjoy sufficient independence in performing my work without being interfered. 0.86 9.06 5 I am not given unreasonable workloads. 0.82 9.84 6 I do not have to meet unrealistic deadlines. 0.74 10.91 FAIRNESS 7 There is an air of fairness with respect to reward, benefits, and decision making in my work environment. 0.87 5.95 8 Equal opportunities are provided to every employee for growth, training, development, and allocation of work. 0.80 8.71 9 In my organization, there is a system of meritocracy. 0.80 8.71 INTEGRITY 0 My organization rules is taken very seriously. 0.79 9.43 12 The organization's assets are not misused. 0.86 7.90 13 Employees and management are not involved in malpractice, including financial misreporting, leaking confidential information, etc. 0.62 10.39 14 Positive criticism is taken in a positive spirit rather than personal disgrace. 0.62 10.39 15 There is no monetary or nonmonetary penalty for emergency or uninformed leaves. 0.89 7.40 16 Nonperformers are given opportunities to improve themselves. 0.89 <t< td=""><td>2</td><td>I have the freedom and choice to set my own work pace and schedule.</td><td>0.79</td><td>10.32</td></t<>	2	I have the freedom and choice to set my own work pace and schedule.	0.79	10.32
5 I am not given unreasonable workloads. 0.82 9.84 6 I do not have to meet unrealistic deadlines. 0.74 10.91 FAIRNESS 7 There is an air of fairness with respect to reward, benefits, and decision making in my work environment. 0.87 5.95 8 Equal opportunities are provided to every employee for growth, training, development, and allocation of work. 0.80 8.71 INTEGRITY 0.80 8.71 10.40 9.23 4.71 10 My organization ensure to hire employees with strong characters. 0.92 4.71 11 Violation of organization rules is taken very seriously. 0.79 9.43 12 The organization sasets are not misused. 0.86 7.90 13 Employees and management are not involved in malpractice, including financial misreporting, leaking confidential information, etc. 0.62 10.39 15 There is no monetary or nonmonetary penalty for emergency or uninformed leaves. 0.80 11.69 16 Nonperformers are given opportunities to improve themselves. 0.89 7.40 17 No action is taken against anyone without giving a chance to be heard. 0.76 10.88 <	3	I am never forced to do something that I do not like.	0.79	10.36
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benchmarks.	SH	ARE RESPONSIBILITY		
27 Employees receive maximum support in completing their tasks.0.7911.251	26		0.90	9.46
	27	Employees receive maximum support in completing their tasks.	0.79	11.251

Table 3: (Continued.)

S#	Item	Standardized Factor Loading	T-Value
28	Sense of belonging is present in this organization.	0.90	9.76
29	People in our organization happily perform the work of other coworkers if they are absent for some genuine reason/cause.	0.51	12.165
30	Coworkers educate and improve skills of each other's while performing routine and special tasks.	0.97	3.78
TRA	NSPARENCY		
31	Policies for selection, promotion, and reward are the same for everyone.	0.97	3.35
32	Investments and borrowings are made with mutual consents of stakeholders, including BoDs, managers, and shareholders.	0.85	10.85
33	Gifts, bribery, and unethical benefits are not tolerated.	0.93	7.46
KNO	DWLEDGE SHARING		
34	Regular meetings and informative sessions are held for providing information about the new product, policy, rules, and procedures.	0.87	8.73
35	There is a culture of sharing past experiences and learning.	0.89	7.86
36	Knowledge networks (IT) are widely used to access knowledge sharing.	0.75	10.89
37	Coworkers usually do not hesitate in asking something if someone is good at it.	0.84	9.56
ACC	OUNTABILITY		
38	The organization has a system of audit and compliance, performed after every specific period.	0.90	7.83
39	People have to take ownership and responsibility for the work they have done.	0.91	7.21
40	Resource allocations is checked and monitored.	0.78	10.79
41	There exists a sense of accountability in every employee's mind here.	0.81	10.36
LEA	RNING ENVIRONMENT		
42	Adoption of a new process, procedures, and new business methods are always welcomed here.	0.50	11.58
43	Innovation and creativity are highly appreciated here.	0.83	8.96
44	Seminars, workshops, and conferences are often arranged to acquire and transmit new knowledge and information.	0.88	6.96
45	External sources of information (reports, newsletters, and surveys) are considered during decision making.	0.82	9.24

Table 4: Model fit indices for confirmatory factor analysis.

S#	Indices	Acceptance Level	Fit-indices Calculated	References
1	χ2/df	$\chi 2/df \le 3$	1.52	Hu and Bentler (1999)
2	Comparative Fit Index	$0.90 \leq CFI \leq 1$	0.958	Kline (2015)
3	Normative Fit Index	$0.90 \leq \text{CFI} \leq 1$	0.90	Tabachnick and Fidell, (2017)
4	Root mean square error of approximation (RMSEA)	$0 \le \text{RMSEA} \le 0.08$	0.041	Tabachnick and Fidell, 2017
5	Standardized root means square residual (SRMR)	$0 \leq SRMR \leq 0.8$	0.06	Hu and Bentler, 1999
6	Tucker–Lewis Index (TLI)	$0.90 \leq TLI \leq 1$	0.953	Kline, 2015

Sr #	Dimension	CR	AVE	MSV	MaxR(H)	1	2	3	4	5	6	7	8	9	10
1	Freedom	0.927	0.682	0.069	0.975	0.826									
2	Structure	0.933	0.736	0.183	0.938	0.180**	0.858								
3	Tolerance	0.897	0.595	0.126	0.916	0.246***	0.233***	0.771							
4	Share Responsibility	0.912	0.686	0.187	0.965	0.131*	0.428***	0.245***	0.828						
5	Accountability	0.913	0.726	0.102	0.965	0.186**	0.260***	0.020	0.155*	0.852					
6	Knowledge Sharing	0.957	0.847	0.302	0.926	0.160**	0.380***	0.128*	0.356***	0.160**	0.921				
7	Integrity	0.938	0.793	0.160	0.994	0.211***	0.400***	0.322***	0.316***	0.133*	0.283***	0.891			
8	Learning Environment	0.893	0.687	0.302	0.938	0.263***	0.347***	0.121*	0.359***	0.225***	0.550***	0.352***	0.829		
9	Fairness	0.853	0.660	0.187	0.863	0.239***	0.377***	0.354***	0.432***	0.056	0.216***	0.255***	0.164*	0.812	
10	Transparency	0.941	0.842	0.118	0.963	0.214***	0.239***	0.184***	0.239***	0.320***	0.295***	0.152*	0.344***	0.205**	0.917

 Table 5: Convergent and discriminant validity of organizational democracy scale.

As suggested by Hu and Bentler (1999) six different indices to measure the fitness of the proposed model were employed. The model fit indices show significant and good values for all fit indices. The overall model fit was evaluated statistically using a chi-square test and heuristically using several goodness-of-fit statistics mentioned already. The results of model fitness obtained from the forty-five-item organizational democracy scale are presented in Table 4.

Convergent and discriminant validities

According to Ping (2004), there are two criteria for determining the validity of a construct, that is, content validity and construct validity. The content validity was ensured by seeking opinions on each item from a panellist of subject matter experts. Construct validity refers to the correspondence between the construct at a detectable and conceptual level and a purported measure of it at an operational level. Construct validity is "the degree to which a measure assesses the construct that it is purported to assess" (Peter, 1981). The results provide an assessment of convergent and discriminant validity that determines the feasibility of the proposed model by assessing the factor structure. As evident in Table 5, the average variance extracted (AVE) of each dimension of the organizational democracy scale ranged from 0.68 to 0.97. These significant values of AVE show strong convergent validity of the construct. The evidence for discriminant validity was also assessed by further examining the square root of AVEs placed on the diagonal in Table 5. The values appearing in columns and rows adjacent to the relevant AVE of each dimension evaluate its discriminating ability. Here, the square root of AVE for each dimension exceeds the adjacent correlation coefficient value, thus establishing discriminant validity for each dimension. Collectively, the results of all the analyses performed in this study provide evidence and support for items, dimensions, and overall organizational democracy scale performance. The results of all the analysis performed shows that the organizational democracy scale was highly reliable and demonstrates construct validity by achieving both convergent and discriminant validity.

Conclusion

Handy (2015) argued that twentieth-century organizations should learn new and alternative ways of survival in these changing conditions. Based on various arguments and literature impetus (Battilana et al., 2018), the present study aimed to address and fill the necessary gaps on organizational democracy. Many recent studies on organizational democracy have expressed the need for a more holistic approach to designing and managing its landscapes (Frega et al., 2019; Han & Garg, 2018). To accomplish this study's overall objectives and subobjectives, the researcher followed complex and rigorous stages, phases, and steps suggested in literature to create and prepare of measuring instrument. In addition, help and direction from experts, scholars, and researchers from various fields were sought to make this work more competent, meaningful, and worthwhile (DeVellis, 2017). An extensive literature analysis was done to (1) generate a comprehensive and broader understanding of organizational democracy considering all its facets and contextual boundaries and (2) identify the dimensions that fully explain and describe organizational democracy.

The traveling of *democracy* from politics to economy and from economy to organization resulted in many changes and adjustments as considered necessary. During this transition, the construct has changed its meanings and its implications. *Democracy* or *democratization*, considered a successful model in political scenarios, failed to gain and provide similar benefits in an economic and organizational setting. However, the works of Dhal (1985) and later the Academy of Management's conferences in 2004 resulted in provoking deeper investigations on these models. A recent comprehensive review by Battilana et al. (2018) and Frega et al. (2019) further motivated the researcher to work on organizational democracy variables.

The development of the organizational democracy scale will be a bridge between the design and management processes and is a significant step forward for management literature and all disciplines. A more refined version of the organizational democracy scale will help to elaborate on many misunderstood concepts and ideas affiliated with *democracy* that hinder its positive perception. For example,

freedom—people normally believe that freedom means no rules and that everyone has the liberty and autonomy of saying and performing anything they wish. However, in a democratic context, freedom is just a meaningful choice at the workplace without harming the overall functional boundaries of the organization (Malleson, 2013; Maravelies, 2007). Similarly, like freedom, participation is usually a source of tension for organizational leaders/CEOs and top managers. Participation does not mean involving everyone in decision making, giving employees share ownership rights (ESOP), or making them apart in every confidential/influential affair of the organization. Participation involves an employee in every decision, matter, and discussion in which they are direct or indirect stakeholders. Like freedom and participation, the research tried to elaborate and explain these concepts better, especially in relation to the organizational democracy construct. These refinements will support and answer many questions like why and how organizational democracy is considered an alternative style, selfmanaging, or nonhierarchical. The study gives a better, simple, and clear understanding about the determinants that contribute to democratization at workplaces, making management strategies more participative, transparent, and straightforward. Developing the organizational democracy scale (ODS) is a critical step toward promoting organization-human relationships and ultimately improving the quality of life at workplaces. Now democracy scholars cannot only measure this important multidimensial, multidisciplinary, and mulifaceted concept, but they can also investigate emprically earlier claims of its impacts on different outcome variables, for example, commitment, loyalty, and so forth.

Theoretical and managerial implications

The development of the ODS is a valuable contribution in management, organizational behavior, and human resource literature, especially in the Asian context. The newly developed measures will assist future researchers, and industrial practitioners explore this essential organizational construct more profoundly. The first and most important theoretical contribution of this research was construct development after recognizing the call from some recent researchers to expand the theoretical boundaries of organizational democracy (Battilana et al., 2018). The researchers can use the measurement tool and the construct with or without modification in different contextual settings, comparative perspectives, and environmental scenarios. The new measures of organizational democracy can be used to assess its association with many individual, group, and organizational outcome variables. So far, organizations hire expensive services of consultancy firms/agencies for helping them in assessing and implementing democratization at their workplaces. These firms can now evaluate the level of democracy in their operations and allow themselves to change into a democratic one using the developed scale. The usage of these measures and dissemination of findings may prove valuable for the organizational managers/leaders while recruiting, developing, mentoring, training, and professionally engaging their workforce in different organizational programs. Finally, the study will encourage managers to create an ideally democratic organization (King & Land, 2018) and promote a system of law, equality, and sovereign empowerment for their employees and other stakeholders.

Limitations and future direction

Though the study covers and provides valuable theoretical and managerial contributions, it still has some limitations, like using a sample in both confirmation and validation stages of the scale development process that was not large. Moreover, the sample for these two stages was obtained from Pakistan only, thus hindering its applicability across the globe. Future studies can use a larger sample size from different sectors, demographics, and countries to check and reconfirm this construct's applicability, validity, and reliability. The study did not test the predictive/nomological validities for the organizational democracy scale. Future studies may assess these validities for further verification/confirmation of this newly developed instrument.

Construct development on organizational democracy will open new arenas for human resource, behavioral development, and organizational development to researchers for affiliating, comparing, and investigating organizational democracy with several other organizations and employee variables.

Most of these are often observed and reported using qualitative approaches. The newly developed measuring scale will now allow them to add more to their conceptual and theoretical explanation with empirical findings and justifications. In the future, a study can be conducted converting or creating an organizational democracy index using the tools and methods adopted in this research. The creation of an index will also be an important contribution as it will allow organizational managers and leaders more convenient use.

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