

# WORKERS PARTICIPATION IN MANAGEMENT IN INDIA

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## **Meaning:**

Participation in Management gives the worker a sense of importance, pride and accomplishment; it gives him the freedom of opportunity for self-expression; a feeling of belongingness with the place of work and a sense of workmanship and creativity.

## **Definition:**

According to Keith Davis, “workers participation refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share in responsibility of achieving them”

## **Characteristics of Workers’ Participation:**

- ❖ It increases the scope of employees share of influence in decision making at different levels of the organization hierarchy
- ❖ Participation has to be at different levels of management in regard to policy formulation and execution
- ❖ It presupposes willing acceptance of responsibilities by workers
- ❖ Its aims is to transfer management functions to the workers

## **Objectives of Workers’ Participation:**

- ❖ To raise level of motivation of workers by closer involvement.
- ❖ To provide opportunity for expression and to provide a sense of importance to workers.
- ❖ To develop ties of understanding leading to better effort and harmony.
- ❖ To act on a device to counter-balance powers of managers.
- ❖ To act on a panacea for solving industrial relation problems.
- ❖ To promote mutual understand between management and workers

### Levels of Workers' participation:

- ❖ **Information participation:** it ensures that employees are able to receive information and express their views pertaining to the matter of general economic importance
- ❖ **Consultative participation:** workers are consulted on the matters of employee welfare such as work, safety and health. However final decision always rests with top-level management as employees views are only advisory in nature
- ❖ **Associative participation:** it is an extension of consultative participation as management here is under the moral obligation to accept and implement the unanimous decision of the employees.
- ❖ **Administrative participation:** it ensures greater share of workers participation in discharge of managerial functions. it is already taken by the management come to employees preferably with alternatives for administration and employees have to select the best from those for implementation
- ❖ **Decisive participation:** Highest level of participation where decision are jointly taken on the matters relating to production ,welfare etc.,

### Forms of Worker's participation in management:

- ❖ Suggestion schemes
- ❖ Work committee
- ❖ Joint management councils
- ❖ Work directors
- ❖ Co-partnership
- ❖ Joint councils
- ❖ Shop councils

**Suggestion schemes:** under this method workers are invited and encouraged to offer suggestions for improving the working of the enterprise. A suggestion box is installed and any worker can write his suggestions and drop them in the box. The committee screens various suggestions received from the workers. Good suggestions are accepted for implementation and suitable awards are given to the concerned workers.

**Work committee:** under the industrial disputes Act 1947, every establishment employing 100 or more workers is required to constitute a works committee. Work committee deals with matters of day-to-day functioning at the shop floor level.

- ❖ Conditions of work such as ventilation, lighting and sanitation
- ❖ Amenities such as drinking water ,canteens, dining rooms ,medical and health services
- ❖ Educational and recreational activities
- ❖ Safety measures, accident prevention mechanisms etc.

**Joint management councils:** joint management councils are constituted at the plant level. These councils were setup as early as 1958, these councils consists of equal number of representatives of the employers and employees, not exceeding 12 at the plant level. The Plant should employ at least 500 workers. This council is entrusted with responsibility of administering welfare measures, supervision of safety and health schemes, scheduling of working hours, rewards for suggestions etc.,

**Work directors:** Under this method, one or two representatives of workers are nominated or elected to the board of directors. This is the full-fledged and highest form of workers participation in management.

**Co-partnership:** It involves employee's participation in the share capital of a company in which they are employed in which they are employed. By virtue of their being shareholders, they have the right to participate in the management of the company. Shares of the company can be acquired by the workers making cash payment or stock options scheme

**Joint councils:** the joint councils are constituted for the whole unit, in every industrial unit employing 500 or more workers; there should be a joint council for the whole unit. Only such persons who are actually engaged in the unit shall be the members of joint council. A joint council shall meet at least once in a quarter. The chief executive of the unit shall be the chairperson of the joint council.

**Shop councils:** Government of India on the 30<sup>th</sup> of October 1975 announced a new scheme in WPM, in every industrial establishment employing or more workmen, the employer shall constitute a shop council. Shop council represents each department or shop in a unit .Each shop council consists of an equal number of representatives from both employer and employees. The total number of employees may not exceed 12.

- ❖ Assist management in achieving monthly production targets
- ❖ Improve production and efficiency including elimination of wastage of man power
- ❖ Study absenteeism in the shop or department and recommend steps to reduce it
- ❖ Suggest health, safety and welfare measures to be adopted for smooth functioning of staff
- ❖ Looks after physical conditions of working such as lighting, ventilation, noise and dust

#### **Advantage of Worker's participation in management:**

- ❖ Increase in productivity
- ❖ Job satisfaction
- ❖ Motivation
- ❖ Improved quality
- ❖ Reduced costs

#### **Limitation of Worker's participation in management:**

- ❖ Complexity of technology organizations
- ❖ Employee's right of not participating
- ❖ Manipulation

- ❖ Workers psychology
- ❖ General bias
- ❖ Trade unions

### **Reasons for failure of Worker's participation in management in India:**

- ❖ Employers resist the participation of workers in decision-making. This is because they feel that workers are not competent enough to take decisions.
- ❖ Worker's representatives who participate in management have to perform the dual roles of workers spokesman and a co-manager. very few representatives are competent enough to assume the two incompatible roles
- ❖ Generally trade unions 'leaders who represent workers are also active members of various political parties. While participating in management they tend to give priority to political interests rather than the workers cause
- ❖ Scheme of workers 'participation has been initiated and sponsored by the government. however, there has been a lack of interest and initiative on the part of both the trade unions and the employers
- ❖ In India, labour law regulates virtually all terms and conditions of employment at the workplace. Workers do not feel the urge to participate in management , having an innate feeling that they are born to serve and not to rule
- ❖ The focus has always been on participation at the higher levels, lower levels have never been allowed to participate much in the decision making in the organizations.
- ❖ The unwillingness of the employers to share power with the workers representatives the disinterest of the workers and the perfunctory attitude of the government towards

### **Measures for making Worker's participation in management:**

- ❖ Employer should adopt a progressive outlook. They should consider the industry as a joint endeavor in which workers have an equal say, workers should be provided and enlightened about the benefits of their participation in the management
- ❖ Employers and workers should agree on the objectives of the industry. They should recognize and respect the rights of each other.
- ❖ There should be effective consultation of workers by the management in decisions that have an impact on them
- ❖ Participation should be a continuous process.
- ❖ A mutual co-operation and commitment to participation must be developed by both management and labour

**Conclusion:** workers participation in management has assumed great importance these days because it reduces industrial unrest and helps in dispelling employees misunderstanding about the outlook of management in industry, the organization is giving utmost importance to the worker's participation in management. There exist a healthy sign of team spirit and co-operation among the employees in the organization. Worker's participation in management may reduce or increase personal fulfillment of workers. it also influences efficiency in various direct and indirect ways .

## Reference

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