

WORKERS PARTICIPATION IN MANAGEMENT

MODULE 5

INTRODUCTION

- Like other behavioural terms, WPM means different things to different people depending upon their objectives and expectations. Thus, WPM is an elastic concept. For example, for management it is a joint consultation prior to decision making, for workers it means co-determination, for trade unions It is the harbinger of a new order of social relationship and a new set of power equation within organisations, while for government it is an association of labour with management without the final authority or responsibility in decision making.

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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”.
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- In the words of Mehtras “Applied to industry, the concept of participation means sharing the decision-making power by the rank and file of an industrial organisation through their representatives, at all the appropriate levels of management in the entire range of managerial action”.
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CHARACTERISTICS

- **The following are the main characteristics of WPM:**
- 1. Participation implies practices which increase the scope for employees' share of influence in decision-making process with the assumption of responsibility.
- 2. Participation presupposes willing acceptance of responsibility by workers.
- 3. Workers participate in management not as individuals but as a group through their representatives.
- 4. Worker's participation in management differs from collective bargaining in the sense that while the former is based on mutual trust, information sharing and mutual problem solving; the latter is essentially based on power play, pressure tactics, and negotiations.
- 5. The basic rationale for worker's participation in management is that workers invest their labour and their fates to their place of work. Thus, they contribute to the outcomes of organization. Hence, they have a legitimate right to share in decision-making activities of organisation.
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OBJECTIVES

- The objectives of WPM are closely netted to the ration-able for WPM. Accordingly, the objectives of WPM vary from country to country depending on their levels of socio-economic development political philosophies, industrial relations scenes, and attitude of the working class.
- In India the objective of the government in advocating for workers' participation in management, as stated in the Industrial Policy Resolution 1956, is a part of its overall endeavour to create a socialist society, wherein the sharing of a part of the managerial powers by workers is considered necessary.
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FIVE YEAR PLAN

- **The objective of WPM, as envisaged in the Second Five Year Plan of India is to ensure:**
- 1. Increase in productivity for the benefit of all concerned to an enterprise, i.e., the employer, the employees and the community at large.
- 2. Satisfaction of worker's urge for self-expression in the matters of enterprise management.
- 3 Making employees better understood of their roles in the organisation.
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- In ultimate sense, the objective of WPM in India is to achieve organizational effectiveness and the satisfaction of the employees.
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MAIN OBJECTIVES

- **Accordingly, the objectives of WPM in India are to:**
- 1. Promote mutual understanding between management and workers, i.e., industrial harmony.
- 2. Establish and encourage good communication system at all levels.
- 3. Create and promote a sense of belongingness among workers.
- 4. Help handle resistance to change.
- 5. Induce a sense among workers to contribute their best for the cause of organisation.
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CONCEPT

- The concept of workers' participation is based on the principle of co-partnership in industry as opposed to master-servant relationship. Participation should mean co-functioning; playing one's part in an integrative unity, contributing that entire one is capable of to the good of the organisation. It signifies workers' identification with the progress and development of business.
- The practice of workers' participation differs from one country to another. However, one point is certain that "workers' participation is now a feasible concept and has turned into a world-wide movement", though there are different degrees and levels of workers' participation.

NEED FOR WORKERS PARTICIPATION

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- Workers' participation in management was felt essential for achieving higher productivity, ensuring greater employee morale and harmonious industrial relations. The recognition of human factor in industry forms the basis of workers' participation in management.
- Principles of industrial psychology and the new trends in personnel management have necessitated workers' involvement in management. After satiation of their physical needs, workers crave for satisfying their social and egoistic wants and these could only be fulfilled by their association with management.
- Literate, educated, cultured and well-informed workers are never satisfied with the fulfilment of their lower level needs such as food, clothing and shelter; they want to be treated by their employers as responsible adults capable of assuming greater responsibilities.
- No management can ignore such type labour and the need for their participation has to be admitted for better work environment. With the passage of time and because of various labour welfare measures adopted where workers participate in all management

NEED FOR WORKERS PARTICIPATION

- Moreover, workers now are well-organized and have enough bargaining strength with management, more or less on equal footing. The slogan for industrial democracy has strengthened the need for workers' participation in management. The management and workers now need to be considered as partners in service which necessarily emphasizes the need for the participation of workers in management.

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SIGNIFICANCE

- Workers' participation in management, if utilized meaningfully, can serve a number of purposes. It can generate a "we" feeling among workers which go a long way in achieving the desired goals of an organization. It fosters joint responsibility and co-operation, and certain specific purposes vital for the sound running of the organisation can be achieved through participation.

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SIGNIFICANCE

- Changes necessary for the growth and development of an organization — and which are generally objected to by workers — are generally possible because of workers' involvement in management. Communication at all levels has been easier for participation device.
- Participation encourages workers to accept responsibility, makes them ego-involved and emotionally involved. Sufficiently significant is that, contrary to the usual practice of the workers to oppose any move taken by the management, workers' participating in management co-operate and encourage the acceptance of any change in the traditional pattern by the workers.
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CONCLUSION

- Workers' participation in management adds dignity to workers, makes them feel one with the management, gives them confidence, encourages them to speak out — all these bring about an all-round development of the organisation.
- The significance of workers' participation in management is enormous since participation in the managerial function by the workers helps solving many management problems, particularly personnel in nature. To what extent participation can go in solving various organisational problems depends mutually on the forms and nature of participation.
- In almost all the countries today, workers' participation in management has been accepted as a very effective and powerful tool for building up sound organisation and bridging the gap between management and labour.
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