
UNIT-17 HUMAN RESOURCE MANAGEMENT AND EMPLOYEE INVOLVEMENT

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17.0 LEARNING OUTCOME

After carefully reading this Unit, you should be able to:

- Define Workers' Participation in Management;

- Explain various forms of participation and their working;
- Describe Collective Bargaining and its process; and
- Discuss Quality Circle and its process.

17.1 INTRODUCTION

It is a prime responsibility of the management in organisations to bring employees and organisation on the same platform for continued effectiveness of the organisation. Workers' participation in management is the best way of increasing employees' involvement in the decision making process of the organisation. Collective bargaining is bipartite in nature in which workers bargain on issues where their interests are involved. Quality circle is the process in which grass-root level employees of the organisation take part in solving their problems.

Human's productive capacity depends upon the ability to acquire knowledge and put it to economic use. Human resource philosophies are the basis on which policies and practices guiding an organisation's behaviour can be developed and implemented.

These are as follows:

- (a) *Accumulation-* Translate policies into practices designed to attract good candidates over time, carefully and consistently.
- (b) *Utilisation-* Individuals are generally selected with attention to technical skills, although personal characteristics are still considered important, and
- (c) *Facilitation-* Individuals must have technical skills and they should be able to work together in close reciprocal interaction. Employee development and enhancement are valued, but the organisation will facilitate the acquisition of new knowledge and abilities because in the current scenario, growth of organisation is directly related to the knowledge base of its employees.

In a nut shell, it can be stated that *facilitation* is based on new knowledge and creation of knowledge, whereas *utilisation* is based on commitment and high control, and accumulation is based on maximum involvement and creativity. From the above discussion, it is clear that the wide scope of human resource management covers union-management relations, workers participation in management, collective bargaining, disciplinary procedures, settlement of disputes and grievance, apart from other personnel and welfare aspects. In this unit, attention will be focused on the below mentioned three approaches.

- i. Workers Participation in Management;
- ii. Collective Bargaining, and;
- iii. Quality Circles

17.2 WORKERS' PARTICIPATION IN MANAGEMENT (WPM)

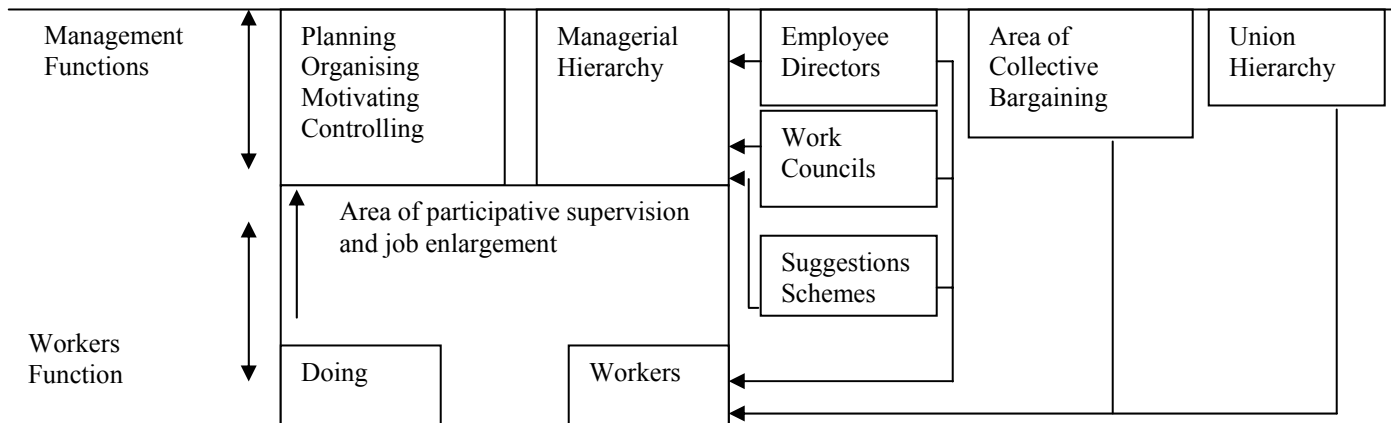
The word 'participation' means, to take part in or to involve in any activity or event. Participation brings attitudinal change and increases the motivation level of human beings towards achievement in activities or events they participate in. The concept of workers' participation in management is considered an instrument, whereby, workers share their views in the decision making processes of the organisation. It has great psychological value and also promotes better employer-employee relations in an organisation, which is a pre-requisite for rapid industrialisation and economic growth. This concept increases the involvement of employees at the work place and they, in turn, feel committed to their job as well as to the organisation they serve.

Participation means identification with and involvement in the day-to-day functioning of the organisation for the achievement of the goals of the organisation, taking into account the reality of the situation which enables workers to undertake responsibilities. The International Institute of Labour Studies (bulletin, 5) states, that, “participation results from practices which increase the scope for employees share of influence in decision-making at different tiers of organisational hierarchy with concomitant assumption of responsibility”. Thus, participation should not be limited only to management functions but should cover all activities in an organisation.

As per views expressed by social thinkers, Comte and Owen, workers' participation in management should be encouraged for achieving the ideal of social justice. From the point of view of social scientists, it is the best technique for utilisation of human resource. Experiments of Blake, Mayo, Lewin and Likert bring out that if workers are given opportunities to participate in the decision making process of the management, there could be possibility of positive gains to the organisation's effectiveness and morale of the workers. Fig 1 (Walker, 1973) shows the basic concept of participation

Figure-1

Basic concept of Workers Participation in Management:-



It is illustrated in the figure that both workers and management are involved in the process and their functions are also mentioned. On further analysis of the above figure, it is observed that various forms of workers' participation in management are possible, such as, collective bargaining, employee directors, work councils and suggestion schemes.

The idea of workers' participation has been around for some time but has gained currency in the present era of competitive advantage, innovative forms of organisations, fluid flexible matrix structuring of organisation design and horizontal mode of functioning, instead of the traditional linear vertical, where workers are rightly perceived, more as 'co-contributors' rather than subordinates in the hierarchy and lateral entries and contract based work are the new modes of functioning. The function of management is desirably more 'collaborative' than 'directive' today. The question today is the extent to which industrial democracy through workers participation in management would be practicable.

There are four ways in which participation is generally secured. These denote increasing extent of workers' participation along a linearly progressing continuum. (Dwivedi, 1989).

First there is;

- Profit sharing;
- Consultation; moving to;
- Joint management; and progressing to,
- Self-management on the part of workers.

The same is necessary because there is better command over the knowledge resource and bargaining power today with the workers, which places them favourably *Vis a Vis*

management. Democracy has had a significant impact on the definition of rights and duties of people within an organisation. Workers are more aware of their fundamental rights and press for the same in an articulate and organised fashion.

In a developing economy, planning processes are designed to accelerate productive processes. Productivity has always been considered an attitude of mind. There is research based evidence to believe that participation of workers in decisions influencing them is a prerequisite to effective decision making and overall productivity of the organisation. (Ghosh, 1969). Industrial sociologists also argue that if there is greater identification of participating workmen with socio-economic objectives of the enterprise, the chances of higher productivity get much more real.

Labour management collaboration has been expressed in India's policy and the following objectives have been articulated in the second five year plan:

- Establishment of cordial relations between management and workers and building up understanding and trust between them;
- Substantial increase in productivity in the interest of management, workers and the nation;
- Securing better welfare facilities etc. for workers; and
- Training and education of workers to understand and share the responsibilities of management

17.2.1 Historical Background

The origin of the concept can be traced back to the writing of Fabians socialists headed by Sydney Webb. This concept gave impetus to the origin of political democracy in many parts of the world. For achieving political democracy, the establishment of economic and industrial democracy was considered a must. This concept found its first practical application during the First World War, when organisations were facing two major problems, that is, maintaining industrial peace and improving productivity. The governments of Germany, France and Great Britain convinced the managements to establish joint committees for resolving these problems through consultation.

In the United Kingdom, on the recommendations of the Whitley Committee, a well-knit three tier consultative system was set up. The idea got a set back in the years 1918 and 1921 due to the cessation of hostilities and economic depression respectively. During the Second World War, interest in joint consultation was revived because many countries, such as, Federal Republic of Germany, Yugoslavia, France, Belgium and Bulgaria passed laws to establish consultative bodies for reconstruction of war ravaged economies. In India, this concept can also be related to the Gandhian approach. Gandhi looked upon workers and employers as dependent on one another. He wanted them to act like trustees for the society. Gandhi's concept of *trusteeship* is based on the theme of collaboration between employers and employees rather than conflict between them. The International Labour Organisation (ILO) has made efforts for creating interest in this concept and its recommendations were adopted in 1952, 1960 and 1976.

Idea of workers participation in management has been suggested by various committees and commissions, but so far, no concrete legislation has been enacted in pursuance of it.

Voluntary schemes of participative management have not proven very effective. In pursuance of the above-stated objectives, a model agreement was drawn up on the constitution and administration of the Joint Management Councils in 1957, following the report of a tripartite study team sent to European countries and its unanimous endorsement at the fifteenth (15th) session of the Indian labour conference. The scheme was in the form of a government resolution and did not have any statutory sanction

Two guiding principles of the scheme were identified as: 1) providing management with work related advice and 2) giving employees the opportunity of participation in managerial decisions affecting them.

The idea was both to increase productivity and further the cause of socialist democracy via industrial working. Private sector was also sought to be brought within the purview of the scheme.

A scheme for works councils was introduced in 1975 for workers' participation at the shop floor and plant levels, in enterprises, employing five hundred (500) or more workers.

The issue of workers participation in management has also been deliberated upon in various sessions of the Indian Labour Conference (ILC). In the 15th session, there was a general agreement that participation should be ensured through legislation, or by mutual agreement between the employees and the employers of selected Industrial establishments. The issue was also discussed in the 28th, 29th, 32nd and 33rd sessions of Indian Labour Conference.

17.2.2 Objectives of WPM

In 1975, the Constitution of India was amended and section 43-A was inserted in the Directive Principles of State Policy. The article provided that;

“The state shall take steps by suitable legislation or in any other way, to secure the participation of workers in management of the undertakings, establishments or other organisations engaged in any industry.”

In accordance with this amendment, the scheme of workers participation in management in manufacturing and mining industries was notified in 1975. The scheme provided for formation of Joint Councils at plant level and shop councils at shop level and covered only those manufacturing and mining units both public and private sectors as well as in departmental run units employing 500 or more workers. In 1977, the government extended the scheme to the commercial and service organisations of the public sector. The basic objective was to devise a system which would generate *mutual trust and confidence* between workers and management, so as to promote active involvement of workers at the work place.

The government of India, on 30th December 1983, introduced a new scheme for employees' participation in management. This scheme was applicable to all public sector undertakings, except those, which are given specific exemption from the operation of the scheme by the administrative ministry or department concerned, in consultation with the Ministry of Labour, taking into account the nature of the undertaking, the products it manufactures, etc.

It envisaged constitution of bipartite forums at shop and plant levels. In undertakings considered suitable, it was also to be implemented at the board level. The scheme provides equal representation of workers and management in the forums. The mode of representation of workers' representatives was to be determined in consultation with the concerned unions.

The objectives of proposed arrangements are discussed below:

- (i) *Economic*: To increase workers' productivity. This is possible through cooperation between workers and management. It motivates workers to work hard. Management and workers mutually agree to some form of sharing the gains.
- (ii) *Social*: To develop a sense of fulfillment not only as regards work but also in regard to the social environment. Participation provides respectable status to workers in society.
- (iii) *Political*: To make the workers conscious of their rights at the work place and to establish industrial democracy. Political democracy gives the workers the right to participate in the governance of the country.
- (iv) *Moral*: To develop workers' personality. They feel satisfied when decisions are made with their participation in matters affecting them directly or indirectly; and
- (v) *Psychological*: To bring attitudinal change among workers so that they feel part and parcel of the organisation.

17.2.3 Forms of Participation

'Participation' is a soothing concept and it is welcomed at all levels. It has a tonic like effect on the psychology of an employee. The following five levels of participations have been identified.

- (i) *Informative participation*- Information is shared with workers regarding production figures, balance sheet, economic conditions and future expansion plans, etc. Workers have no right to scrutinise the information provided by the management.
- (ii) *Consultative participation*- Workers' representatives are consulted on matters relating to welfare facilities. The joint council acts in an advisory capacity though the final decision rests with the management.
- (iii) *Associative participation*- The management accepts the suggestions of the council and implements the unanimous decisions taken by it.
- (iv) *Administrative participation*- A decision is taken and the council is given the right to choose the method of implementing it. This allows workers more autonomy in exercising administrative and supervisory powers in respect of welfare measures, safety, and operation of vocational training and preparation of work schedules.
- (v) *Decisive participation*- This is the highest form of participation where all matters, economic, financial and administrative, are brought under the scrutiny of the councils, and decisions taken jointly.

The form of participation also depends on the ideology and systems adopted by a particular society. Socialist ideologies advocate direct participation at every level of management, while capitalist societies have left it unstructured. Participation not only protects the interests of both the parties but also acts as a system of checks and balances on both groups.

Participation involves the following steps:

1. Ascertain the objectives, functions and scope of the committee set up for participation;
2. Fix the number of member participants from each side;
3. Decide the quorum and frequency of meetings;
4. Specify the agency framework and the agenda for meetings;
5. Establish the procedure for giving notice of meetings;
6. Decide the agency that records the minutes of meeting circulate them, and monitor follow up action;
7. Decisions implemented or otherwise should be discussed in meetings and corrective actions taken accordingly;
8. The decision of the committee must be binding on concerned parties.

In order to streamline the mechanism, it is necessary to draw up *standard practice*. To ensure that the committee is not merely giving lip service, it is necessary to incorporate review and analyse systems. In this system, the top management assesses the number of recommendations implemented by the committee, scrutinises reasons for non implementation and suggests ways and means for overcoming difficulties.

Effective Participation

For effective and successful participation as a manager, one has to develop strategies according to the structure, form and type of participation which is practiced in an organisation. Some important strategies are:

1. Create compatible employer employee relations in the organisation
2. Avoid unfair labour practices
3. Eliminate possibilities of communication gap
4. Educate and train both parties in the ethos and mechanism of participation
5. Strengthen trade unions to avoid political pressure.
6. Adopt collective bargaining for amicable settlement of disputes
7. Develop mutual trust and confidence among management and workers
8. Ensure reasonable wages, salaries and other allowances

9. Develop a sense of job security and freedom from reprisals resulting from their participation
10. Develop a real sense of 'say' in organisational decisions. This helps find the root causes of the problem.

17.2.4 Institutional Arrangements for WPM

Works Committee: Under the Industrial Disputes Act, an industrial establishment employing hundred (100) or more workers was required by the government to constitute a works committee, comprising an equal number of representatives of management and workers. Normally, such committees are found in large industrial establishments.

1. Section 3 of the Industrial Disputes Act, 1947, provides for the setting up of bipartite works committees in an industrial establishment, in which hundred or more workers are employed in the preceding twelve months, in the prescribed manner, consisting of representatives of employer and employees, working in the establishment. The Bombay Industrial Relations Act, 1942, also provides for these bodies, but under the provision of this act, they can be set up only in units which have a recognised union and are called, joint committees. The following are the objectives of the works committees:
 - a. To promote and establish harmonious relations in the work place; and;
 - b. To sort out differences of opinion between employers and employees in respect of matters of common interest.

Structure of Works Committees

The number of members constituting a works committee is flexible, but in general, the total strength should not exceed twenty. The number of representatives of employees should not be less than that of the employer. In fact, equal number from both sides is desirable. The tenure of these committees is two years and these meet as often as necessary, as but not less than once in three months. As office bearers, a president, a vice-president, a secretary and a joint secretary are nominated. The president of the works committee is nominated by the employer while the vice-president is elected by the employees' member.

The main function of the works committee is to promote measures for securing and preserving amity and cordial relations between the employer and employees. The committee constituted by the Indian Labour Conference in 1959 suggested certain other functions for these work committees to deal with:

- (i) Physical working conditions such as ventilation, lighting and sanitation
- (ii) Amenities such as drinking water canteens and health services
- (iii) Safety and accident prevention
- (iv) Adjustment of holidays

- (v) Administration of welfare funds
- (vi) Educational and recreational facilities
- (vii) Encouragement of thrift and savings
- (viii) Implementation and review of decisions

The National Commission on Labour (1969) suggested the following measures for the successful functioning of works committees:-

- (a) More responsive attitude on the part of management
- (b) Adequate support from unions
- (c) Proper appreciation of the scope and functions of the works committees
- (d) Whole-hearted implementation of the recommendations of works committees
- (e) Proper coordination of the functions of the multiple bipartite institutions at the plant level now in vogue

These committees are functioning well in some organisations like the Tata Iron and Steel Company and the Indian Aluminium Works. In general, despite a statutory requirement for setting up works committees in all undertakings, some units have not established them where established, have failed to work well. Works committees have not been very successful in resolving differences at the negotiation stage. The main reasons for lack of success of works committees have been: (Dwivedi, 1989)

- Indifference on the part of the employers to the very idea of discussing important issues with workers or their representatives and the opposition of the trade unions to the works committees, which they apprehend, would reduce their importance or encroach their functions;
- Inter union rivalry, rendering joint operation difficult;
- Lack of demarcation between the functions of works committees and trade unions;
- Illiteracy among workers, who cannot follow proceedings of works committee;
- Disregarding decisions arrived at in works committee deliberations;
- Absence of legal sanction behind such decisions;
- Entrusting matters of a minor or trifling nature
- Lack of interest meetings in meetings, holding meetings irregularly, considering them a formality, reducing meetings to a ritual

Joint Management Councils (JMCs)

The Industrial Policy Resolution (1956) suggested the need for joint consultative

machinery between the employer and the employees to promote industrial peace. In the year 1957, the government of India sent a study group to study the schemes of workers' participation in management in countries like the United Kingdom, France, Belgium and Yugoslavia. The report of this study group was considered by Indian Labour Conference in its 15th session in 1957 and certain recommendations were made:

- (i) Scheme should be set up on a voluntary basis in selected undertakings;
- (ii) A sub committee consisting of representatives of employers, workers and ; government should be set up for considering the details of worker' participation in management schemes, and;
- (iii) The above sub committee should select the undertakings where the schemes would be introduced in the first stage on an experimental basis.

In 1958, Joint Management Councils were introduced. The JMCs are entrusted with the administrative responsibilities for various matters relating to welfare, safety, vocational training, preparation of schedule of working hours and holidays. They are to be consulted in matters concerning changes in work operation, general administration and alteration in standing orders, rationalisation, closure etc. Objectives of JMCs are enumerated as follows:

- (i) To determine the means of promoting better understanding between workers and management;
- (ii) To improve the efficiency of workers;
- (iii) To suggest measures of reduction in wastage and increasing profits;
- (iv) To educate workers so that they are well prepared to participate in these schemes;
- (v) To promote a more stable work force and workers safety, and;
- (vi) To satisfy the psychological needs of workers.

Joint Management Councils have been set up, so far, in twenty- three units. The first joint management council was established in the public sector in the Hindustan Machine Tools Ltd., Bangalore, in 1958. The council has the right to obtain information regarding the working of the undertaking and has direct administrative responsibility for matters concerning workers' welfare, training and allied matters. Its main function is to bring about mutual consultation between employers and workers over many important issues which affect industrial relations

Structure of JMCs

It was decided that JMCs should consist of an equal number of representatives of the management and employees but in any case these total number should not be more than twelve. Representation of a workman to the JMC would be based on nominations by recognised trade unions. A tripartite sub-committee was set up as per the recommendations of the Indian Labour Conference, which laid down certain criteria for selections of industrial units where the JMCs could be introduced. It includes the following:

- (i) The unit must have five hundred or more employees;
- (ii) The unit must have a good record of industrial relations;
- (iii) The unit should have a well-established trade union;
- (iv) The trade unions should be affiliated to some central federations;
- (v) The management and the workers should agree to establish JCMs;
- (vi) The private sector employers should be members of the leading employers' organisations.

Further, it was also observed by the sub-committee that if the workers and employers mutually agree, they can set up JMCs even if these conditions are not met. These councils are required to work at the policy level besides works committees.

Functions of JMCs

The following are the essential functions of JMCs:-

- (i) They are to be consulted by the management regarding administration of standing orders, retrenchment, introduction of new methods of production and closure, reduction of operations;
- (ii) To receive information, discuss and give suggestions on the general economic situation of the unit; and
- (iii) To share administrative responsibilities on matters of welfare, safety, and training; schemes, working hours, breaks, holidays, and payment of rewards.

Issues relating to wages, bonus and individual grievances are excluded from the purview of the JMCs.

Working of JMCs

JMCs too did not receive much support from the unions or the management. It was felt that a multiplicity of bipartite consultative bodies served no purpose. Where the membership of unions was disputed, composition of the council became a contentious issue. The Hindustan Machine Tools Ltd., Bangalore, was the first unit to set up a JMC in 1958, but it survived less than a year. The scheme also failed in Post and Telegraphs, Railways, Fertilizer and Chemical Corporation, Indian Airlines, Air India, and Hindustan Insecticides. In TISCO, the success of JMCs was because of the presence of one strong union. Bharat Heavy Electricals Limited have provided an appropriate forum for effective communication and management furnished all facts and information sought for. Despite the useful purpose the JMCs could be a success be in some cases but by and large, they have been found to ineffective and their functioning unsatisfactory. The main reason behind it is the scheme is voluntary. The National Commission on Labour observed that, "mental reservations which operated against JMCs are the same both in the ranks of the management and among the workers". Besides, other causes responsible for the lack of success of JMCs are:

- (i) The managements felt that the workers were not competent enough to participate

in JMCs;

- (ii) Workers representatives were not very clear with their role as decision-makers;
- (iii) Trade union leaders were not cooperating with the management to solve workers' problems;
- (iv) Management was not ready to give enough information to the workers; and;
- (v) In the presence of works committees, JMCs proved superfluous.

Workman Directors

This represents apex level participation of workers in an undertaking. The participation of representatives of workers on the Board of Directors of undertakings, is with the following objectives (Administrative Reforms Commission (1970) :

- (i) To improve two way communication link;
- (ii) To enhance the status of workers; and,
- (iii) To involve the workers in the formulation of policies in which workers are interested.

Initially, this scheme was started in the Hindustan Antibiotics Ltd., the Hindustan Organic Chemical Ltd. and later extended to the National Coal Mines Development Corporation, the Bharat Heavy Electrical Limited and the National Textile Mills. The Workers' Director was elected by all the workers of the organisations by secret ballot.

The government of India advised all nationalised banks to appoint two workers' directors on the board of management, one representing officers' and the other, the workers' side. The qualification for the director was that he should have been in continuous service of one or more nationalised banks for a period of five years and should not have reached superannuation during his term of office as Director as the tenure of workers' director, is three years. The workers' director was selected by the central government out of a panel of three employees to be proposed by the representative union of the bank. The National Labour Institute indicated that the measure failed in promoting cordial relations between the workers and the management. Later on, the Ministry of Finance removed the directors from the boards of all nationalised banks.

Workers' Participation Scheme

During the period of emergency, on the 30th of October 1975, the government of India announced a new scheme of workers' participation in management. This scheme, called the workers' participation scheme, was also voluntary. It was for manufacturing and mining industries whether in public, private, cooperative sector and departmentally run enterprises employing five hundred or more workers. The scheme provided for shop councils at the shop/departmental levels and joint councils at the enterprise/plant level.

Shop Councils

Shop councils consist of an equal number of representatives of employers and workers. The workers' representatives are required to be working in the concerned shop or

department. As per the scheme, the Chairman of the council is to be nominated by management while the vice-chairman is to be elected by workers representatives among themselves. The total number of members of council may not generally exceed twelve. The council functions for a period of two years and is required to meet as frequently as is necessary but at least once in a month. The decisions of the council are to be taken on the basis of consensus and not by a process of voting, and implemented by the concerned parties within a period of one month. The functions of the shop council are summarised as under:

- (i) To discuss matters relating to safety and security
- (ii) To assist management in achieving monthly/yearly production targets
- (iii) To help in improving production productivity and efficiency
- (iv) To identify the area of low productivity and suggest measures for improvement
- (v) To study problem of absenteeism and recommends steps to reduce them
- (vi) To assist in maintaining general discipline of shop/department
- (vii) To look after working conditions of shop/department
- (viii) To ensure two way communication between management and workers; and;
- (ix) To help in maintaining welfare and health conditions of the shop/department.

Joint Councils

The Joint Councils are required to be set up for whole unit and the employees who are actually working in the unit shall be members of the council. The Chief Executive of the unit was to be the Chairman and the Vice-Chairman is to be nominated by the representatives of workers. The Secretary is to be appointed by the joint council who is to be responsible for discharging its functions. The tenure of the council is two years and is required to meet, once in a quarter. The decisions of the council are also by the process of consensus and are to be implemented within one month. The functions of the council are:

- (i) To fix productivity norms for men and machines for the unit;
- (ii) To discuss the matters which are unresolved by shop council;
- (iii) To see that raw materials are used optimally;
- (iv) To prepare the schedule of working hours and holidays;
- (v) To develop adequate facilities for skills development of workers of the unit;
- (vi) To look after general health, safety and welfare of workers of the unit as a whole; and;
- (vii) To develop a system for awards to workers for creative suggestions.

Later on, this scheme was extended in 1977, to other units of service and commercial organisations which employ hundred or more workers, such as hospitals, railways, post and telegraph, road, transport and electricity boards, etc. According to this scheme, the unit councils were to function at the unit level while joint councils at divisional, regional or zonal level. But the success of the scheme has not been encouraging.

The New Scheme

The government of India introduced a new scheme of workers participation after reviewing the progress of various schemes in the industry in 1984. The main features of the scheme are as follows:

- (i) It is applicable to all central public sector enterprises;
- (ii) This scheme is to operate at the shop floor and plant levels but there is a provision for participation at the board level too;
- (iii) Different categories of workers, such as unskilled, semi-skilled, technical and non technical, supervisory and non supervisory are to represent, at both the shop floor and the plant levels;
- (iv) The mode of representation of workers' representatives is to be determined through consultations with the concerned unions;
- (v) The number of representatives depends on the total number of work force;
- (vi) The scheme has universal applicability irrespective of the number of workers employed; and
- (vii) A wide range of work related issues such as personnel, welfare, operations and financial were brought within the ambit of the councils.

The Ministry of Labour constituted a tripartite committee to review the working of the scheme and suggest corrective measures.

The net result of workers participation in management has not been encouraging, because it has failed to achieve the objectives of labour management cooperation and coordination. Some of basic reasons for failure of the above schemes could be briefly stated as follows:

- 1. The negative attitudes of the management towards the scheme;
- 2. Lack of proper understanding of these schemes on the part of employees and trade union;
- 3. Inadequate training systems;
- 4. Lack of follow up actions basically on the part of government especially with reference to the works committee; and;
- 5. Overlapping of various functions on the schemes.

To ensure better degree of employees' involvement, the following suggestions may be

worth considering:

1. The government should propose a scheme on a 'statutory basis;'
2. It should cover the private sector units also;
3. The employees' involvement must be ensured from shop floor level to the boardroom level;
4. Proper training should be compulsory before implementing the scheme;
5. The scheme has to be looked after the workers interest on one side; and; efficiency, productivity, quality and profitability on the other side;
6. The management should adopt participative commitment rather than authorisation to the scheme.

Worker's Participation in Management Bill, 1990

All these schemes of workers' participation in management have not provided a meaningful framework of participation of workers in management at all levels in the industry. To overcome from the above situation, the Government of India introduced a bill in Rajya Sabha on 25 May, 1990. The important features of this Bill are as follows:

- (1) The term 'worker includes no-managerial and managerial employees.
- (2) Setting up of Shop Floor Councils at the shop floor level and establishment council at the establishment level in accordance with provisions of the scheme.
- (3) Equal number of representatives to represent employer and workmen will present in both councils
- (4) Employer representatives shall be nominated by employer in a prescribed manner as specified in the scheme.
- (5) Employee representatives shall be nominated by the registered Trade Union or elected by secret ballot in accordance with the scheme.
- (6) The Chairperson of both the Councils shall be chosen by and from amongst the representatives of the Council.
- (7) The tenure of each council shall be 3 years and shall meet as and when necessary but not less than 4 times within a span of one year.
- (8) The functions of both the councils have to cover a wide range of activities of the enterprise.
- (9) This bill provide a rule for setting up a monitoring committee which include an equal number of members representing - the appropriate government, the employers, and the workers. The main function of monitoring committee is to review and advice in the

matters which arising out of the scheme.

(10) The bill omits Section 3 of the Industrial Disputes Act, 197 relating to the setting up of works committees.

The working result of workers participation in management is not encouraging till date because it has failed to achieve the objectives of labour management cooperation and coordination. Some of basic reasons for the failure of above schemes are as follows:

1. The negative attitudes of the management towards the scheme;
2. Lack of proper understanding of these schemes on the part of employees and trade union;
3. No adequate training systems;
4. Lack of follow up actions basically on the part of government especially with reference to the works committee;
5. Overlapping of various functions on the schemes.

The following suggestions may improve the degree of involvement of employees:-

1. The Government should propose a scheme on 'Statutory Basis'
2. It should cover the private sector units also.
3. The employees' involvement must be ensured from shop floor level to the boardroom level
4. Proper training should be compulsory before implementing the scheme.
5. The scheme has to be looked after the workers interest on one side and efficiency, productivity, quality and profitability on the other side.
6. The management should adopt participative commitment rather than authorisation views towards scheme.

17.3 COLLECTIVE BARGAINING

Collective bargaining is explained as a process or method of determining the terms and conditions of employment by negotiations between management representatives and union representatives. The signed agreement, usually known as a trade agreement or contract, establishes the terms and conditions of employment which are to prevail usually for a stipulated period of time. Collective bargaining may be viewed as an alternative to individual bargaining or to governmental regulation (Miller, 1987).

The essentials of collective bargaining are as follows:

- It presupposes some kind of organisation among workers;

- Recognition of a labour organisation by the employer and acceptance of its representative as authorised spokesman for all or a portion of his employees are also essential conditions for the establishment of the process;
- Implies willingness on the part of both labour and employees to meet and confer with respect to the issues involved;
- Will to agree is imperative from both sides and should be articulated thus;
- Ability to exert economic pressure in support of his position. The employer must have the right to suspend operations and labour must have the right to strike;
- Only possible substitute to both labour and management to have the right to refer unsettled issues to arbitration with compulsory acceptance of the award of the arbitrator.

Incorporation of results of negotiations in a written, signed agreement is an essential part of the process of collective bargaining (Miller, 1987). Collective Bargaining is another form of involving employees in decision making in organisations. In this process, the terms and conditions of employment are determined by mutual agreement between the employer and the employees. It is bipartite in nature because only the employers and the employees are involved in the bargaining process. The idea is that the employer and employee should not make decisions unilaterally or with the intervention of any third party. The International Labour Office Workers Manual (1973) defines collective bargaining as “negotiation about working conditions and terms of employment between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more representative workers' organisations on the other with a view to arrive at an agreement.”

It is called 'collective' because both employer and employees participate in groups rather than as individuals and 'bargaining' refers to arriving at a stage of agreement using methods like discussions, exchange of ideas and facts, and negotiations rather than confrontation. Both parties realise the importance of peaceful co-existence for mutual benefits and continued progress.

Objectives of Collective Bargaining

The following are the main objectives of collective bargaining

- (i) To increase mutual confidence;
- (ii) To regulate terms and conditions of employment without intervention of a third party;
- (iii) To create cordial environment in the establishment;
- (iv) To protect the interest of the employees; and;
- (v) To raise the socio-economic attributes of the employees.

Types of Bargaining

There are four types of bargaining activities:

(i) *Distributive Bargaining*: In this type of bargaining, one party gains and the other loses. They try to settle economic issues like wages, and bonus, etc. Self-interest is given precedence over organisational interest.

(ii) *Integrative Bargaining*: In this type of bargaining, both parties may gain, which implies a win-win type of bargaining. Productivity aspects are considered and it is believed that by a mutual problem solving approach, the sum total of the gains can be increased. When the question of survival arises in front of both parties, then this type of bargaining will give fruitful results.

(iii) *Attitudinal Structuring Bargaining*: This process of bargaining helps in shaping the attitudes of both parties and brings about attitudinal change in them. It also helps in developing an environment of mutual trust and confidence with respect to each other.

(iv) *Intra-organisational Bargaining*: In this type of bargaining, both parties discuss general strategies and arrive at a consensus decision which is expected to improve the overall performance of the organisation.

Structure of Collective Bargaining

It is generally structured and conducted at three levels, namely:

(i) The Plant Level: Bargaining is done between the management and employees of the plant or unit. Local issues, such as work rules, safety, security, shift timings and working hours, etc. are considered.

(ii) Industry Level: Negotiation is between the apex level of management and the unions. The agreements are somewhat broader in scope, generally concerning revision of wages pensions and insurance plans which have wide implications.

(iii) National Level: The scope of such type of negotiation is much wider. Such type of agreements is not common in our country.

Bargaining Issues

The bargaining issues can be divided into the following three categories;

(1) Mandatory: Issues concerning wages hours and other terms and conditions of employment. These demand immediate solution, which left unresolved would lead to the charge of unfair labour practice, because they have direct effect on job performance of employees;

(ii) Voluntary: Those issues which *may be raised*, but both the parties show least interest in resolving them. For example, health benefits for retired employees;

(iii) Prohibited: Those that are outlawed, such as concerning closed units, and demands that the employer use only union-produced goods etc.

Collective Bargaining Process

The following main steps are involved.

1. Negotiation Team

2. Preparation of Demands
3. Negotiating Procedure
4. Bargaining Strategy
5. Preparation of Agreement
6. Administration of Agreement

All six steps are explained as follows:

1. Negotiating Team: Two teams, one from management side and other from workers side should be present for bargaining the issues because the interest of both sides is involved. On the workers side, the team consists of the office bearers of the unions while from management side, the team may consist of personnel, production and finance managers, etc. The chief executive of the organisation is one of the team. It is not necessary that the number of representatives from both sides should be equal.

2. Preparation of Demands: The next step is preparation of demands. Generally, the charter of demands presented to the management by the unions, is prepared by the members of negotiating team in consultation with other employees of the organisation. If necessary, the involvement of an outside expert is permitted.

3. Negotiating Procedure: After preparation, comes the stage of process of negotiation. Generally two types of processes may be adopted by the team (a) piecemeal negotiation, in which the issues are taken up one by one, (b) total approach, in which all issues are negotiated, considering total effect. The process and authority during negotiations should be clearly spelt out by the management.

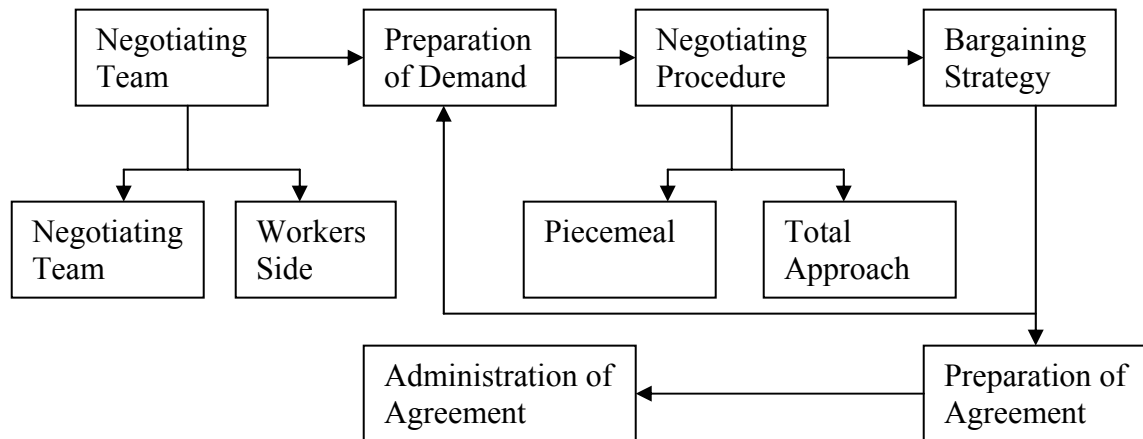
4. Bargaining Strategy: There is no specific strategy for negotiating the issues. It depends on the situation, time, strength and other market conditions. But the main point is to give attention to the entire package and its ultimate results rather than on immediate gains or losses.

5. Preparation of Agreement: The outcome of collective bargaining process is the preparation of agreement. The bargaining issues are solved and then, put on paper. Legal terminology should be avoided as much as possible in the letter of such agreements. The agreement should be signed by both the parties and communicated to all concerned. In our country it is called a 'settlement' within the meaning of Section 2(p) of the Industrial Disputes Act.

6. Administration of Agreement- The administration of agreement is left to both management and workers because under section 29 of the Industrial Disputes Act, any person who commits a breach of any term of the settlement, is punishable with imprisonment for a term which may extend to six months, imposition of a fine, or both.

An important and relevant point which deserves attention in collective bargaining is that it is a temporary accommodation because the unions may always demand the renewal of such agreements before their expiry and the management may reject this demand which may again lead to negotiations. Therefore, we can say that the collective bargaining is a continuous process.

Figure-2
Collective Bargaining Process



Recommendations for effective collective bargaining:

For collective bargaining to be thoroughly effective, the following conditions are imperative.

1. Favourable organisational climate is a prerequisite for effective settlement;
2. Interference of outside political leadership would be harmful;
3. Trade unions must be strengthened by recognition;
4. Government should made legislation for compulsory collective bargaining preceding adjudication;
5. There is no scope of unfair labour practices in this process; therefore, both the parties should develop positive attitudes towards each others;
6. A 'win-win situation' should be adopted by both the parties;

Recommendations of the National Commission on Labour

In 1969, National Commission on Labour made the following recommendations for effective implementation:-

1. Compulsory adjudication should be used only as a last resort;
2. Trade Unions should be strengthened, both organisationally and financially, by amending the Trade Union Act, 1926, to make registration of unions compulsory, enhancing the union membership fee, reducing the source of outsiders in the union executive and among the office bearers, and increasing the minimum number of members of union applying for registration of the union;
3. Legal provisions may be made either by a separate legislation or by amending an existing enactment for;

- (a) Compulsory recognition of trade unions, and certification of unions bargaining agents;
 - (b) Promotions and Rehabilitation of unfair labour practices;
 - (c) Bargaining in good faith by both employers and unions;
 - (d) Conferring legal validity and legitimacy on collective agreements.
4. Intensification of workers' education for building up internal union leadership and making workers more knowledgeable and conscious about their rights and obligations;
 5. The idea of one union for one plant or one industry should be popularised and encouraged;
 6. The government should declare its policy to allow and encourage the parties to settle their conflicts by bipartite consultation and negotiation consistent with public safety and interest of the society in general.

The recommendation regarding prohibition and penalisation of unfair labour practices has been implemented by amending the Industrial Disputes Act, 1947, in the year 1982.

17.4 TRADE UNION THEORIES

Trade Unions are viewed by the *historical school*, as a 'continuous association of wage earners for the purpose of maintaining and improving their working lives. As per the views of the *neo-classicals*, involvement of trade unions in economic decisions is mooted by this school. The purpose of organised activity on the part of workers is betterment of worker life through involvement in economic decisions involving them. *Revolutionary unionism* has advocated participative management and equation of the power balance between management and workers. Left wing theorists advocate socialist transformation of the bourgeois society through organised activity on the part of the working class. *Anarcho syndicalism* advocates use of violence for achievement of socialist objectives.

17.4.1 Trade Union Movement in Selected Countries

Discussed below is a brief account of development of trade union movement in select countries from where most developing nations drew inspiration for such institutionalisation of voluntary effort.

17.4.1.1 United Kingdom

The beginning of Industrial Relations in United Kingdom is traced to '*mercantilism*' where journey men apprentices employed in craft guilds organised to prevent exploitation at the hands of employers. Workers' associations were developed during the industrial revolution with the advent of the factory. The spread of the socialist doctrine of *anarchism*, under Robert Owen, gave ideological endorsement to the movement. The socialist doctrine was developed and popularised by Marx and Engels. Anarchism was a strand in the broad ideology. Attempt was made to consolidate trade clubs into a grand national consolidated trade union, which did not meet with success. After the Trade Union Act was passed in 1871, trade union activity was legitimised and trade unions

forayed into politics to voice their opinions and concerns more forcefully. The process culminated in all representative committees of individual organisations coalescing into the Labour Party in 1923-24. Thereafter, worker associations got a boost. Joint shop councils and works committees were set up in industries and union representatives were appointed in management boards in public corporations.

17.4.1.2 United States of America

Trade union activity had similar beginnings under *merchant capitalists* in the United States, except that here such activity was ruthlessly suppressed by the state and by adverse law court decisions. In the famous Cordwain Conspiracy Cases, trade unions were declared “conspiratorial coercive and injurious bodies”. Trade union activity was an underground secret activity. In 1884, the Noble Order of Knights came into being bringing together separate associations. Ferdinand Lassalle advocated capture of power. Marxists, anarcho- syndicalist followers of Bakunin and Proudhon were ruthlessly suppressed following the infamous Haymarket Riots. Up to the First World War, internecine rivalry between the old order of knights and the new American Federation of Labour eroded the movement. However, it revived in the interwar years. Law courts attacked it and the government sought to counter it by enacting schemes for workers participation in management which is popularly known as ‘*welfare capitalism*.’

Besides, bargaining power of workers in United States fluctuated with depression and boom cycles in the economy (United States being a free market economy). During depression (of 1812, 1873), workers could not bargain for fair wages and there was widespread unemployment. During boom periods, their position was relatively advantageous for a short period of time. Successive depressions dealt a death blow to trade union activity. By 1889, the noble order of knights of labour had considerably lost impact. The second technological revolution reduced the importance of skilled workers.

17.4.1.3 India

In India, workers’ associations were more in the nature of social service organisations patronised by labour philanthropists in Calcutta and Bombay. The high water mark was the establishment of the All India Trade Union Congress in 1920 registered under the companies act. The trade union movement was influenced by the ideologically charged movement of France and Italy. For better understanding, it could be studied in two parts:

The history of labour legislation in India is to be studied in the context of colonialism. It is opined that it was difficult for the British to get enough regular Indian workers to run British establishments and hence laws for indenturing workers became necessary. Labour legislation was accordingly designed to protect the interests of British employers. The government enacted the Trade Union Act, 1926 and the Trade Disputes Act of 1929 to better the system of settlement of industrial disputes. Nevertheless, the major draw back of this act was that it did not provide for any standing machinery for the settlement of disputes. In the year 1936, the government to halt the exploitation of workers by the management enacted the Payment of Wages Act. Even though the IDA was primarily meant for industry in the organised sector, its present application has now extended well into the unorganised sector, through *judge-made law*. Its pro-worker protection clauses and safeguards against arbitrary job losses have evolved over a period of time, both through the process of sustained legislative amendments and through the process of judicial activism spread over more than five decades. Another important development has been the setting up of the Indian Labour Conference, a tripartite body, to look into the

industrial relations problems. The major objective of this conference is to provide a cooperation and coordination mechanism between the government, the employers and the trade unions. In the year 1958, the Code of Discipline was introduced but had limited success because it was more a moral guideline than a legal enactment. The National Commission of Labour was appointed by the government in the year 1966, to study and report on labour problems and make suitable recommendations. In 1966, the Ministry appointed the First National Labour Commission (NLC) to review the changes in the conditions of labour since independence and also to review and assess the working of the existing legal provisions. The NLC submitted its report in 1969. The important recommendations of NLC have been implemented through amendments of various labour laws. In the areas of wage policy, minimum wages, employment service, vocational training, and worker's education, the recommendations made by the NLC have been largely taken into account in modifying policies, processes, and programmes of the government. During the emergency, (1975-77) there was considerable stress on discipline in industrial as well as general undertakings. But after emergency and consequent change of political leadership, the Janata government set up a number of committees to review the industrial relations situation. In the late 1970s and early 1980s, industrial relations in our country were characterised by violence, therefore, on 26th July 1981, the government issued an ordinance to ban strikes. The law, called the Essential Service Maintenance Act (ESMA) 1981. This act empowers the government to ban strikes, Layoffs and lockouts in what it deems to be "essential services". Indian industrial relations are shifting from bipartite to tripartite. Government is concerned for economic development of employees. The principle of natural justice is playing a vital role in the shaping of employers-employees relations and policies of organisation: Labour laws are also playing a prominent role in maintaining industrial relations as well as providing social security to the employees. In order to ensure consistency between labour laws and changes in economic policy, and to provide greater welfare for the working class, the Second NLC was constituted in 1999. Today, India is a signatory to thirty nine (39) International Labour Organisation (ILO) conventions of which thirty seven are in force. Of the ILO's eight fundamental conventions, India has ratified four - Forced Labour 1930, Abolition of Forced Labour 1957, Equal Remuneration 1951, and Discrimination (employment and occupation) 1958.

Problems of Trade Unions in India

The problems of trade unions in India have been summarised as follows by R.S. Dwivedi (1990):

- Structure of organisations as well as the process of functioning are important for success of trade union activity;
- There is a multiplicity of trade unions. Need is consequently felt for developing a coherent structure;
- There is need for committed membership, in that many trade unions choose to remain outside the arena of joint negotiations. Proportional representation of trade unions in the general body could be considered;
- There is need for constructive orientation, less stress on productivity and a mechanistic approach;

- Ideological proclivity of trade unions is the most important feature. The same should be articulated effectively;
- There is need for structural reform by way of regular elections, audit etc.;
- Verification of membership is an important issue. Their status should be assessed in the context of purpose;
- Trade Unions should enjoy certain rights such as office accommodation, administrative obligations regarding office procedure; in short they need to be 'institutionalised.'

17.5 QUALITY CIRCLE

Quality circle is a people building philosophy based on the premise that an employee doing a particular job is the biggest expert of that field and thus, is in a better position to *identify, analyse* and *resolve* work related problems through innovative and unique ideas. In fact, it is a practical application of McGregor's Theory 'Y,' that given the right environment and decision making power, people will enjoy and take pride in their work thus leading to enrichment of their work life.

17.5.1 Definition of Quality Circle

It is a voluntary group of employees, engaged in the same or similar type of job, meet on a regular basis to identify, analyse and solve their work related problems which leads to improvement in their work performance and enrichment of their work life. The number of circle members could vary from five (5) to fifteen (15), but the ideal size of a circle is seven (7) or eight (8) members. The number of members should be such that the circle is effective. The size should not be so high that every member can not have sufficient time and opportunity to participate and contribute meaningfully. Preferably, Quality Circle members must be from the same work area so that the problems they identify are familiar to all the members for effective participation.

Philosophy of a Quality Circle

The philosophy of quality circle activities emphasises the following ideas:

1. Contribution to the development and improvement of the organisation;
2. Respecting humanity and building a happy bright work shop which is meaningful to people not treated as a part of machinery, but as human beings engaged in meaningful jobs and exhibiting their full potential;
3. Employees use their wisdom and creativity at work;
4. Employees develop their ability through opportunities to apply themselves to analytical problems;
5. Employees are not isolated from each other and act as groups based strong social ties;
6. Employees educate themselves by sharing experiences;

7. Employees are given due recognition for contributions.
8. Display human capabilities fully and consider possibilities;
9. Promotion of job involvement and participation; and
10. Stress on character development philosophy.

17.5.2 Structure of Quality Circle

One of the important factors for the success of any organisation is its structure and good functional ties among constituting elements. For the successful operation of the quality circle, a well structured approach is necessary. The important thing to remember is that the quality circle does not alter the existing hierarchical setup or chain of commands in any organisation.

Recommended quality circle structure has following six elements.

1. Non-members
2. Members
3. Leader
4. Facilitator
5. Steering committee
6. Top management

Non-Members

Employees who do not take part in selecting, analysing and solving the work related problems are called non-members. They are, however, part of the structure of the quality circle.

Members

The basic elements of a quality circle are the members themselves. Membership is strictly voluntary and any one who wishes to join is encouraged. A voluntary member should be from the same work area, engaged in similar work because they would be familiar with the problems and could make significant contribution in analysing and solving them.

Leader

The quality circle leader is chosen from within the group by the circle members. The first line supervisor is also designated to perform the leadership role in this structure. The position of the leader in a circle is like a thread which binds the individual members into a circle. Therefore, leader provides strength to the circle.

Facilitator

The word facilitator is self-explanatory. It is an important link in the structure, responsible for coordinating and conducting quality circle activities in a particular area. He is usually an officer nominated by the management who is in charge of a section or a department. The qualities of a facilitator are multidimensional. He works as a guide, a coach, co-coordinator, promotor, teacher, communicator, statistician and a catalyst. He must also possess working knowledge of the operation of the company, product and services, vendor relation, manufacturing process, quality control, behavioral sciences and above all, the policies of the organisation.

Steering Committee

The steering committee occupies an important place in the structure of a quality circle. It sets goals and objectives of the quality circle activities. This committee should be formed immediately after taking a decision to implement quality circle activities. It consists of the departmental heads from every major function like, Production, Finance, Materials, Engineering, Quality Marketing, etc. This committee is required to meet regularly once in two months for smooth and effective functioning of quality circle activities.

Top Management

This is an apex body at the highest level which overseas and monitors the functioning of the quality circle and acts as an advisory body. Without the faith and commitment, support and encouragement from the top management, the activities of the quality circle can not be successful in the organisation. Therefore, top management support is quite essential for the successful operation of the programme. One of the ways that the top management could demonstrate its support is by incorporating promotion of the quality circle concept in the company's broad objectives. For increasing the motivation level among the circle members and leaders, it is essential that the top management meet the quality circle's members and leaders periodically.

Co-ordinating Agency

It is a very essential and important element in the structure of quality circle, although this agency does not envisage a separate department for its activities. Any department such as quality assurance, personnel or engineering etc. could be motivated to function as a co-ordinating agency depending upon the convenience of the organisation. The main function of the co-ordinating agency is to prepare the plan and getting the sanction for the budget to meet the expenses of quality circle activities.

17.5.3 Objectives of Quality Circle

The main objectives of a quality circle are:

1. To enhance the quality of goods and service produced, productivity, safety and cost effectiveness;
2. To enrich quality of work life of employee;
3. To respect humanity and build a happy bright workshop, meaningful to work in;

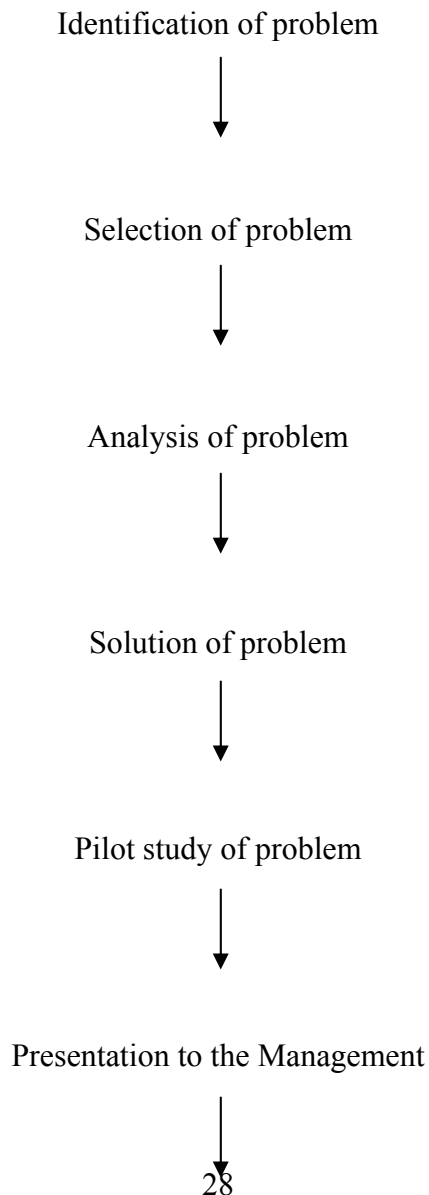
4. To give opportunity to employee to use their wisdom and creativity;
5. To promote self and mutual development;
6. To encourage team spirit, cohesive culture, great harmonious human relation etc.

17.5.4 Quality Circle Process

The most important activity of quality circle is to solve work related problems. The problems are solved by using simple but powerful problems solving techniques. These techniques are used to identify the problems, collect and analyse data, examine causes and finally, suggest solutions. The problems solving process adopted by the quality circle members are depicted below in Fig.3.

Figure-3

Quality Circle Process



Decision implementation



Selection of a new problem

Selection of a Problem

The quality circle starts functioning after the members are trained. At the first meeting the circle members prepare a list of all problems which are related to their work area by using brain storming technique. Once a list is prepared, the next step is to quantify severity of these problems by means of collecting data. Next, is to make assignments to various members for collection of data. After collection of data, a 'Pareto diagram' is drawn to know the importance of the problems. Accordingly, members fix the priority for analysis of problems. However, it is necessary to take precautions so that the circle members do not waste time on minor problems or on projects where solutions are already in process. It may also be prudent to guide the circle members about not taking up complex problems in the initial stages, rather tackle problems of a simple nature to develop confidence about finding solutions for bigger, more complex problems.

Analysis of a Problem

Once the problem has been selected, the circle members can start analysing the problem with the help of two important statistical tools, *brain storming* and *cause and effect*. The idea behind brain storming is to get all members involved, so that all underlying factors can be studied. The leader asks members to list all probable causes. With the group's consent, the key to major causes is picked up for analysis and development of a solution.

Development of a Solution

Once the major causes have been identified, circle members get together to propose solutions. The agreed solution is normally being implemented by the members themselves. In case the suggestions are to be implemented by some other department, the circle members interact with their colleagues or circle members of the department where the suggestions have to be implemented. In case of interface, a facilitator's help is taken by the members. After a certain period, when an effective solution has been arrived at, the facilitator arranges the next phase to show to the management the achievements of quality circle.

Implementation of the Solution

If the recommendations arrived by the quality circle members fall within the purview of members' jurisdictions, they with the approval of immediate authorities of the department/section go ahead and implement the solution. If the solution to the problem needs some investment, it would be referred to the competent level of management, which should either promptly give effect to the recommendation or give a feed back without loss of time to the quality circle why the recommendation is not implemented. At

times, recommendation is taken up for consideration by the steering committee where clarifications, if required, are obtained from the circle members before the decision is taken.

Management Presentation

Management presentation is a programme where the leader and the members of a circle present their management information about what project they have been working and what recommendation they wish to make. This event represents a most exciting form of participants, communication and recognition to all. The recommendation of the solution to the problem selected would be more effective and powerful if the presentation is made in a systematic way. These case studies would also serve as effective educational tools in future for the organisation and others.

Management presentation helps improve the communication between management and employees, demonstrate management involvement and interest to quality circle activities, and foster a good working relationship amongst all the employees in the organisation. They also offer an opportunity to recognise quality circle members' efforts. The following guidelines are used by quality circle members for presentation before the management:

- (i) Presentation should not exceed fifteen minutes;
- (ii) All members are introduced by the leader;
- (iii) All members are encouraged to participate in the management presentation;
- (iv) Cost saving and other salient points must be highlighted;
- (v) Presentation should be made through problem solving tools and techniques; and
- (vi) The leader closes the session by answering the questions. A good presentation will also emphasise harmony, team work and cooperation.

17.6 CONCLUSION

In this unit, we have discussed various types of employee involvement activities. It is a basic responsibility of the management to create conducive atmosphere for facilitation of such activities. For all these activities, top management commitment is necessary because success is totally dependant on the apex management of the organisation. By increasing the involvement of workers in problem solving and decision making processes, the employees become more motivated, more committed to the organisation and more satisfied with their jobs resulting in the organisation achieving its objectives.

17.7 KEY CONCEPTS

Anarcho Syndicalism: Anarcho-syndicalism is a school of thought of socialism, which advocates use of violence for socialist transformation of society by

overthrow of bourgeois power and replacement by the rule of the proletariat.

Bourgeois Society: As per Marxist critique of politico- administrative society, the 'haves' or the 'bourgeois' in a society thrive by exploiting the worker class by appropriating the fruits of their labour (surplus value). The power is derived from control over 'means of production' which gets them political and administrative mileage. The interests of the bourgeois and the proletariat (the working class) are irreconcilable.

Participation: Participation is the central theme in ethical management in industries. Trade Unions and the management collaborate in apposite environment for good 'organisational health'. Ideological orientation of trade Unions, strengthening of institutional structure and positive intent vase on mutual trust on the part of both parties is the imminent requirement for successful participation.

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17.9 ACTIVITIES

1. Critically examine the schemes of workers participation in management in India. What improvements would you suggest?
2. What is meant by collective bargaining? Examine the working of works committees and joint management councils.
3. Discuss the definition, objectives and structure of quality circles and discuss its applicability in India.