The increasing interest of workers' participation has undoubtedly revealed many ideas and approaches. A series of queries arise. What is meant by workers' participation? What are the decision making points in any enterprise? Where does it begin? How far it goes? Where does it end? Workers participation cannot be determined by a standard formula. The position will vary greatly according to the political, social and economic systems prevailing in the country including the political and economic power and the relative strength of organised labour and management.

All these are bound to have a decisive influence on the approach and patterns of workers' participation. Obviously, these socio-economic factors influencing workers' participation vary from time to time. Thus any definition of workers' participation and role of trade unions has necessarily to be provisional, because the socio-economic framework within which it operates is itself liable for a change. The scope and range of functions to be covered by workers' participation would vary widely, in accordance with the relative importance and priorities. The scope of workers' participation can find expression in various forms as sharing in the ownership of an enterprise, or participation in equity capital, participation in management or on supervisory boards or in the workers' committees either voluntarily or statutorily constituted, and participation through collective bargaining or other trade union activities. Thus the

* Director, Institute of Labour Law and Management, Andhra Pradesh; Member, National Technical Advisory Committee on Bonded Labour in India; Member, Planning Commission, Government of India.
question is not of form only but also the level at which participation takes place. It is obvious, for example, participation in the Board of Directors where normally policy decisions are taken, is likely to have little effect on the daily life and on the shop floor level. Indirect participation of workers will not automatically ensure personal satisfaction of the individual worker, the worker has to be sober enough to realise that he is an integral part of the community and struggle for wages must be tempered with considerations for overall social cause. There is clearly a need for giving concrete shape to the concept of workers participation in management as we are in a socialist pattern of society.

We will be false to ourselves if we do not allow the workers an effective voice and control in the working of the undertaking where they are employed. Even from the practical point of view, success of our enterprises largely depend on workers' willingness for co-operation and such willingness can only come by making them feel that they are partners in the enterprise. No doubt quite a few hurdles stand in the way, like workers' illiteracy, multiplicity of unions, inter and intra-union rivalries, reluctance of management to share responsibility and management's resistance to share power. They can be got over by clearing the air of suspicion and removing misconceptions and by evolving a simple and effective structure of workers' participation.

The first need is to be honest and disciplined. We lack bonafides in our law, for we may laugh at, or we may interpret progressive legislation with double thinking and double talk.

The study conducted by the International Labour Organisation emphasises the advantage of job satisfaction, decline in absenteeism and better labour turn-over after the introduction of workers' participation at various levels. Whatever interpretation we may put on participation of workers in industrial management, the perspective ought to be peoples' involvement in economic progress of the nation through public sector undertakings. The role of a trade union in such enterprise is delicate. They must play the role keeping in view the national progress and increased per capita income.
An industrial undertaking is a social and economic institution having duties and responsibilities towards the community. Once this position is conceded, it would at once become apparent that the management could not be appointed and controlled solely by the shareholders. Workers should also have representation on the management. Even public interest required that workers are to be so represented. The principal restraining influence on industrial management, of course, is to be and should be the growth of social consciousness. The increasing role of the State has become inevitable in order to cope with the realities of economic power of modern industrial enterprises. The need for enhanced social control over the economy has become imperative. Managements should not be motivated solely by profit consideration based on exploitation of labour. A balance should be struck between opposing attitudes and approaches.

Trade Union leadership, needless to emphasise, should keep good industrial relations with the managements based on the principles of economic growth and productivity. The emergence of internal leadership is partly a matter of educating union leaders in trade union methods on democratic and systemised practices. They should accept collective bargaining. The opportunities offered by collective bargaining seems to be underestimated probably for the simple reason that there is a growing tendency to form rival unions.

Labour-management participation carries a wider perspective than superficial consultation. For the management it is an opportunity for the sharing of responsibilities. It begins with their conscious effort to seek the co-operation, support and advice of the workmen at various levels. It could be done by management as a part of the social and economic purpose of industry.

One end of the spectrum is the provision of a two way channel of communication. The management and the workmen learn to perceive and assess mutual objectives and problems. The intermediate spectral band is co-management. It is the actual sharing of the managerial functions between the employer and the worker. The formation of the structure of a board of
professional managers answerable to a supervisory board of workers representatives is the other extreme of the spectrum.

Workers' participation in management can be called "Industrial Democracy". Very often workers resist unconsulted management decisions due to a feeling of being left out. For any decision to be sound, the facts as well as the views of those who are affected by it should be known. Non-consultation will make the canvas incomplete and distorted. Being an integral part of a democratic style, it improves organisational productivity and morale.

The essence of participation is collaboration both in policy formulation and decision making. It must be comprehensive, real and positive. It recognises workers' personality as an integral part of the undertaking. It identifies him with the enterprise. Participative management improves the overall operational efficiency of the organisation. It motivates the worker to work more diligently. It increases productivity.

Participation does not stop with seating the workmen's representatives on the board of management. Its aim is broader. Its purpose is to evoke the fullest possible collaboration between the workers and management in every step, all the through. Further it desires a grasp of each others' problems with respect for one another's ability to contribute effectively for achieving the common goal. While it allows the management to retain its prerogative in respect of the final decision, it also cares for the views of the workmen affected by the decision.

The case for partnership is founded on a few premises. Modern industry is automated and complicated. A few, with adequate knowledge, skills and competence, can run an industry. However, on the executive side, the time, energy or patience left to comprehend every activity or process is limited. This offers an opportunity for co-administration; to learn and act on the technical and organisational ideas of others.

Secondly, when a new process or policy is introduced, resistance to change is minimised through the foundation of fellowship. It helps the manager to discuss his ideas, persuade
and convince labour on his thinking. The workers' representatives, in their turn, can tell their fellow employers or workers what to be foreseen and overcome. Since the workers' representatives have been involved in the process of consultation the larger work force would generally extend full support to the decisions taken, since that feeling of involvement is already created.

Thirdly, the technical and scientific advance of industry has brought to the fore highly trained employees who feel that they can contribute much to the organisation, not only in their own field of specialisation, but also in other areas of operation. The joint machinery may become a forum for it.

Further, there is always more than one side to the problem. Hence there are many answers to the problem. Very often instructions are misunderstood due to faulty communication and ignorance of the background and reasons. As a consequence, false ideas and wrong perceptions gain ground. The participative system offers scope for greater understanding leading to better industrial relations.

A few countries have institutionalised the concept of workers' participation in management, notably, Ugoslavia, West Germany, and the United States of America. As early as 1922, Germany enacted a law for the appointment of representatives of the workmen in supervisory councils of the undertakings. After World War II, co-management came into the German Steel Industry. In 1952 the 'Works Constitution Act' drew the line for the respective subjects which concern the works council and employers. The final power to act rested with the latter. German "Limited company law" established a system whereby a board of supervision elected by the shareholders appointed a board of management. The former set the policy for the latter to follow.

In the United States, the suggestions system for increasing productivity has a long history. The most successful American ideas so far had been the Scanlon plan. It laid emphasis on the common sharing of problems. Committees were organised to approve and screen production improvement suggestions. As
both groups got a chance to state and solve problems, impressive results were obtained with good leadership.

The Scanlon plan is a philosophy, a theory of organisation and a set of management principles. As a philosophy, it assumes that people seek full expression in all situations. They can be constructive and supportive of others and of the group to which they belong. It assumes that all members of an institution will participate whole heartedly in organisational activities with a foreseen equitable reward.

Improved effectiveness and efficiency through the Scanlon plan is founded not only on participation, but also on equity and bonus. The need is assumed for a change to enhance productivity, the change being taken as common change and natural corollary for progress. Its inevitability is accepted, though its rate and direction are controlled for channeling the advantages and results in the organisational stream. Widest involvement is consciously encouraged to suggest, decide about and carry out the change.

Many different ideas are held by different people on the subject of Workers' Participation in Management. Some typical ones can be listed as follows:

1. Participation should have no limits; the whole field of management should be open for participation by workers
2. Employers are not willing for genuine workers' participations; hence it will not work.
3. It will subvert the union.
4. Multiplicity of unions will defeat it.
5. Workers are ignorant and cannot contribute to decision making. They must first be trained before being allowed to participate.
6. It will work only if the present socio-economic system is completely changed.
7. Present styles of management and unions are not conducive to effective participation by workers in management.
8. Collective bargaining is the best form of participation.

9. We should demand ownership by workers rather than control or share in management.

10. If workers are to participate in management, then consumers too should be allowed to participate.

11. Workers must first accept the objectives of the company, then alone they can demand participative rights.

12. Participation only in production and productivity is no participation at all.

13. Unions are weak and therefore they cannot participate on a basis of equality with management.

14. Even managers at the middle and junior levels have very little opportunity to participate in management; how then can workers expect to participate?

15. Win-lose attitudes among managers and workers are common and generally lead both sides to lose rather than to positive participation.

Among this wide diversity of views we have to see if we can formulate a meaningful and practical approach to workers' participation in management.

Why participation:

What workers can reasonably expect to get by participating in management are these:

1. Understanding management and minimising conflict between workers and management.

2. Creating among the workers a sense of belonging towards the organisation they work in.


4. Improving production, productivity and profitability so that they can expect to get an increasing share in the fruits of industry.
5. Improving the quality of working life through improved satisfaction of the social and psychological needs of the workers and better social relations at the work place as well as through greater control over and understanding of the work that worker has to do.

Conflict of Participation: Some of the consideration are these,

1. Participation must not stop at mere sharing of information, or at consultation, but must extend to participation in decision-making.

2. Participation should be operative at all levels of management.

3. Participation should be practised in all functions of management.

4. Participation should cover implementation of decisions as much as making of decisions.

5. Participation and collective bargaining are different functions and should not be brought to the same forum. Without an effective bargaining relationship, however, no genuine participation is conceivable.

How will participation contribute to the achievement of workers' expectations listed above:

Some conditions are to be fulfilled:

A. Management—

1. Should have adequate authority and powers to take decisions relating to the working of the organisation without having to constantly refer matters to the higher authorities;

2. Should delegate functions as well as the authority to discharge the functions to different levels within the organisation and not remain concentrated at the top;

3. Should have a genuine willingness to recognise the trade union and deal with it in good faith
B. Trade Union—

1. Should be strong and democratic.
2. Should take a broad view of its own objectives and of the interests of workers.
3. Should maintain a problem-centred and not a win-lose attitude in its dealings with management.
4. Should be willing to train equip its personnel as well as workers in general to undertake the responsibilities involved in genuine participation.

C. Union-Management Relations:

1. An established tradition and relationship of fruitful collective bargaining.
2. An integrated view of the objectives of workers as well as the management.
3. Their interaction should be problem-centred and not win-lose.

Pre-requisites:

It is unlikely that in any given situation ideal conditions as outlined above will obtain. A beginning in workers' participation in management, however, can and should be made even if conditions are not ideal in all respects. Certain minimum conditions, of-course, will have to be satisfied without which such participation cannot really start. For instance, strong and democratic trade union, management which has adequate authority to take decisions, established collective bargaining relationship, and genuine willingness on both sides to participate and to accept the obligations and responsibilities arising from participation are some such minimum conditions required.

Limitations:

What we expect out of workers' participation in management should be realistic. The limitations of the process should
be recognised to avoid a feeling of disappointment and frustra-
tion. Some of the limitations are,

1. Participation will not be a panacea for all problems of the
management nor of the workers.

2. All conflicts between labour and management will not
necessarily disappear; some issues of conflict may persist
and will have to be resolved through other industrial relat-
ions practices.

3. Even in ideal conditions, all workers but only a small
minority of them will participate. This is what happens in
all democratic processes.

4. Not all objectives of either side can be satisfied; there will
be constraints, both internal and external to the organisa-
tion, which will render it impossible to achieve all objecti-
ves of both sides.

So a number of factors have a very crucial bearing on
production and productivity. The most important among these
is the industrial relations. Cordial industrial relations between
management and workers provide the solid foundation and the
most propitious environment for increased production and pro-
ductivity. Not only in India but in other countries of the world
also, excepting the countries which have adopted fullblooded
socialist system, wherein there is complete identity of approach
and environment in an enterprise on the part of the management
and the workers who not only are coequals but also where the
latter move in the managerial positions, there have been con-
stant endeavours for working out such nexus on industrial re-
lations in which possibilities of conflict between the management
and workers is reduced to the minimum and is made negoti-
able in a peaceful manner and in an atmosphere of trust and
respect for each other's points of view and approach.

In a developing country like India the relationship between
management and labour has not only to be cordial but it has also
to be of such a nature which would create conditions for participa-
tive management in the enterprise, since production and pro-
ductivity have to be raised to a level high enough to sustain
development at an accelerated pace to bring the country at par with the other industrially developed countries of the world. In our country we have not only to fight the conditions of poverty and unsatisfied wants from which the vast majority of the country suffers but also to meet the exigencies of a geopolitical situation which expose the country to external aggressions. For these situations the answer lies in the raising of production and productivity.

Industrial relations has set a tone for economic development and industrial peace should be maintained for developing an economy which leads to prosperity.