

A STUDY OF WORKERS PARTICIPATION IN MANAGEMENT DECISION MAKING AT BHEL, HYDERABAD

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ABSTRACT

This paper is concerned with an investigation of the existing level of Worker Participation in Management Decision making within the BHEL (Bharat Heavy Electrical Ltd.) environment. The study involved a survey in which a total of hundred non management employees drawn. Interview schedule and in-depth interview were the main research techniques adopted for data collection while percentage distribution and simple random sampling techniques were used to analyze the data collected for the study. Results show that employees in organizations demonstrate a high interest in participation in the decision making process within their respective work places. However, the actual level of involvement in management decision making demonstrated by the employees was found to be relatively low. There is significant relationship between education and employees' involvement in decision making, and as well as between frequency of employees' consultation and organizational commitment. The study reveals a growing desire of non-management employees in the work environment to exercise greater involvement in the decision making process of the enterprise. Majority of the employees informed that decisions taken at the committee meetings are implemented, has the positive opinion about the councils working and performance, the organization has been considering the pre-requisites of successful workers participation and feels that shop council and plant council benefit the organization to great extent.

KEYWORDS: Employees; Democracy; Involvement; Attitude; Work.

1. INTRODUCTION

The concept of worker participation represents a popular theme in the analysis of the world of work among scholars in the fields of Industrial Sociology, Industrial Relations as well as Management. It refers to any arrangement which is designed to involve low cadre employees (workers) in the important decision making within the workplace. This implies that rather than saddling only a group within the enterprise (for instance, Management) with the responsibility of making decisions, all those who are to be affected by these decisions (including the workers) would be involved in its formulation and implementation.

Workers' Participation in Management John Leitch has defined Industrial Democracy as "the organization of any factory or other business institution into a little democratic state with a representative government which shall have both the legislative and executive phases". In the same manner as political democracy has converted subjects into citizens, with right of self-determination and self-government, industrial democracy converts the workers from the mere subjects obeying the orders of the employers, into citizens of the industrial world, with

a right to self-determination and self-government, that is, representative participation in making rules and enforcing them. This is known as Workers' Participation in Management, workers' participation in management means giving scope for workers to influence the managerial decision-making process at different levels by various forms in the organisation. The principal forms of workers' participation are information sharing, joint consultation, suggestion schemes, etc.

In recent time, scholars have directed increasing attention to the issue of worker participation and its broader corollary, industrial democracy (Mankidy, 1984; Yesufu, 1984, Adewumi 1989; Verma and Syha; 1991, Weller 1993; Kester and Pinaud, 1996; Adu-Amankwah, K. and Kester, G. 1999). These concerns reflect a growing interest in finding ways to make work more meaningful and satisfying to the workers. This rests on the belief that the organizational goals of high productivity and harmonious industrial relations are best achieved when the higher level needs of the human elements (workers) are satisfied.

Worker participation implies arrangements designed to involve workers in the enterprise's decision making process. This allows for workers' involvement in the initiation, formulation and implementation of decisions within the enterprise. The concept can also be understood in terms of a new approach to industry and society in which people want to be interested with the taking of decisions which have direct bearing on them.

Mc Gregor (1960) contends that worker participation consists basically in creating opportunity under suitable conditions for people to influence decisions which affect them. It is a special case of delegation in which the subordinate gain greater control, greater freedom of choice with respect to bridging the communication gap between the management and the workers. This serves to create a sense of belonging among the workers as well as a conducive environment in which both the workers would voluntarily contribute to healthy industrial relations.

According to the International Institute for Labor studies "Workers Participation in Management is the participation resulting from practices which increase the scope for employee's share of influence in decision-making at different tiers of organizational hierarchy with concomitant assumption of responsibility".

In the words of Davis "It is a mental and emotional involvement of a person in a group situation which encourages him to contribute to goals and share responsibilities in them".

2. ORIGIN AND GROWTH OF WORKERS PARTICIPATION

The origin and concept of Workers Participation in Management can be traced back to the writings of Fabian socialists headed by Sydney Webb that highlighted the economic and social disorders of industrially developing countries and stressed the need for unity and cooperation among partners of production. The concept received further impetus from the origin and growth of political democracy in many parts of the world. It came to be believed that political democracy could not survive unless economic and industrial democracies were also achieved. Many writers advocated that just as people should have the right to choose their governments, the workers too should have the right to influence the managerial decisions, if not the right to choose the management. Many writers in the field of management emphasized the human side of enterprise and came to be collectively designated as the behaviouralists. In India

Mahatma Gandhi mooted the idea of Workers Participation in Management through his concept of trusteeship.

Firstly, the demand of continuous production during the two world wars prompted the managers to introduce such strategies as would ensure uninterrupted industrial activity. Secondly, the differentiation between Management and Entrepreneurs accelerated the pace of professionalization in Industrial Management.

It was during the days of the world war that the concept found its first practical application. Faced by the twin problems of maintaining industrial peace and improving productivity, the Governments in many belligerent countries persuaded management's to establish joint committees for expeditiously resolving these problems through consultation. In the United Kingdom following the recommendations of the Whitley committee a well-knit three-tier consultative system came into being. It consisted of works committees at the plant level, district councils at the district level and the joint industrial councils at the industry level. However, with the cessation of hostilities in 1918 and the onset of economic depression in 1921 the idea of joint consultation received a setback. The interest of the working class now shifted toward nationalization and centralized planning because these were considered to be the most appropriate remedies for economic stagnation and unemployment.

Today, the idea of workers participation has become institutionalized in several countries of the world. The schemes, however, widely vary from one country to another in respect of range of subjects handled by participation machinery, in the degree of authority exercised with regard to these subjects, and in the methods of selection of workers representatives. Thus, we have workers self-management in Yugoslavia, co-determination in federal republic of Germany and mere consultation in India.

3. RATIONALE OF THE STUDY

- 3.1 To recognize the importance of participative management to resolve industrial disputes and increasing production simultaneously.
- 3.2 To know the mutual cooperation of employees in achieving industrial peace, greater efficiency and productivity in the interest of the enterprise, the workers, the consumers and the nation. To know how trade unions cooperating with the empowered employees in managerial decision making.
- 3.3 To investigate the implications of workers participation to worker and their organization.
- 3.4 To identify the importance of participative management to improve quality of managerial decisions and team work.
- 3.5 To determine factors which aid or hinder the observed level of participation?

4. OBJECTIVES OF THE STUDY

The central objective of the study is to determine the level of worker participation in management decision making in the specific objective are

- 4.1 To ascertain workers level of involvement in the decision making process of then-work places.
- 4.2 To establish the general attitude of workers towards worker participation in management decision making.
- 4.3 To determine factors which aid or hinder the observed level of participation?
- 4.4 To investigate the implications of worker participation to worker and their organizations.
- 4.5 To propose suggestions to overcome the encountered lapses.

5. SCOPE OF THE STUDY

Scope of the study is confined to, what are the various facets and incentives of the organization, which are motivating the employees to stay with the organization. To find out what aspects are satisfied and dissatisfied by the employees of the organization and the difference in the satisfaction level of executives of Non-executives.

6. RESEARCH METHODOLOGY AND DESIGN

The study adopted the case study approach for the purpose of conducting an empirical investigation to the issue of Worker Participation in Management Decision Making in BHEL work environment. The study was conducted and data were collected both through the primary and secondary source

Primary sources of data were derived from the questionnaire and in-depth interview from employees of all departments in BHEL like HR, Finance, Production, and Sales & Marketing. The questionnaire was in three sections - the first contained questions on respondent's personal data, the second on the level of worker participation while the third is on worker participation structures.

Secondary source from company records, bulletins and other official documents. The adoption of these tools helped to collect both quantitative and qualitative data.

A sample of 100 employees out of 3500 has been chosen for the study and simple random sampling technique is used to select the sample for conducting the study.

7. CONFINES OF THE STUDY

- 7.1 The study is related to only BHEL RC. Puram, Hyderabad.
- 7.2 The sample size was 100 employees including executives and supervisors.
- 7.3 The results are based on information provided by respondents.

8. FINDINGS AND DISCUSSION

- 8.1 The BHEL employees are satisfied with the functioning of the management in Participatory machineries and are initiative in organizational interest which is effective and efficient in functioning.
- 8.2 Majority of the employees agreed that management have a positive attitude towards staff and they are treated with respect at their work places and the participation is confined to only workers.
- 8.3 The organization conducts sufficient number of training programmes and each and every one employee is very proud to work for BHEL.
- 8.4 Majority of the employee's converse that workers participation in management improves understanding between managers and workers and the method which is mostly used in WPM is joint management councils.
- 8.5 The employees have the opinion that workers needs trade unions to protect their interest and are satisfied with the various legislation implemented by the company and they view is that interpersonal relationship among employees is seen in respectable manner and agreed that the cooperation of trade unions is necessary to empowered employees for their participation in managerial decision making. And the change is that, management has brought to their personal development through participation is recognition.
- 8.6 Most of the employee's consent that committee members share the information with their colleagues after the meetings and that workers desire to participate in decision making in organizations.
- 8.7 The employees feel that conflict of interests between labor and management leads to failure of workers participation in management and they did not agree that WPM weakens the trade unions.
- 8.8 Majority of the employees says that workers participation in management improves understanding between managers and workers and the method which is mostly used in WPM is joint management councils and communicated that decisions taken at the committee meetings are implemented and has the positive opinion about the councils working and performance.
- 8.9 Maximum of the employees feel that WPM provides better understanding to employers and employees about their role and process of attainment of organization goals and the organization has been considering the pre-requisites of successful workers participation.
- 8.10 Majority of the employees feel that shop council and plant council benefit the organization to great extent and agreed that plant council plays an important role in operational areas, economical areas and welfare areas of the organization.

9. SUGGESTIONS

- 9.1 From the analysis it is clear that Workers Participation in Management is positive in BHEL, Ramachandrapuram unit, Hyderabad. Some of the employees responded that management cooperation is poor so it should be improved by free flow of communication and information with the workers Management should evolve a system of sharing the fruits of participation.
- 9.2 WPM schemes are not successful in organization so it should be improved by making aware of those schemes for all the employees in the organization. Management should develop a favorable attitude of workers towards the schemes of participative management.
- 9.3 Most of the employees agree that conflict of interests between labor and management leads to failure of WPM so management should take the proper steps to reduce the conflicts between the labor as well as top level. Serious attention has to be given to the removal of hurdles.
- 9.4 A quantity of the employees responded that participation management in peaceful settlement of industrial disputes is poor. The management should try to reduce the industrial conflicts between the employees and employers. There should be trust between the two parties.
- 9.5 The management should focus on Workers Participation in Management Schemes. It should be properly done which would adversely affect all the activities of the organization. Effort should be made to stir up the workers at the enterprise level to understand the schemes.

10. CONCLUSION AND RECOMMENDATIONS

Workers Participation in Management has assumed great importance these days because it reduces industrial unrest and helps in dispelling employees' misunderstanding about the outlook of management in industry. The organization is giving utmost importance to the workers' Participation in Management. The organization has been seen to practice sound participative mechanism. There exist a healthy sign of team spirit and co-operation among the employees in the organization. The employees seem to understand and co-operate with each other in the organization. Workers Participation in Management may reduce alienation or increase personal fulfillment of workers. It also influences efficiency in various direct and indirect ways. Careful measurement and calculation are required to assess the net effect of participation upon efficiency and economic factor.

Workers Participation in Management is respectable at BHEL. And employees believed that they will definitely get benefit hence, participation is confined to all the members in the organization and considers them at different levels of decision making. Employees acquiesce that committee members share the information with their colleagues after the meetings, the workers participation in management improves understanding between managers and workers and informed that joint management councils is the method of WPM which is used mostly in the organization.

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