

FORMS OF WPM

I. WORKS COMMITTEE (1947)

The first experiment began in 1947 when the industrial development act was passed. The Act provides that in the case of an industrial establishment in which 100 or more workers are employed on any day in the preceding 12 months, the appropriate government may by general or special order require the employer to constitute in the prescribed manner a works committee consisting of representatives of employer and workmen engaged in the establishment so however, that the no. of representatives of the workmen on the committee shall not be less than the no. of representatives of the employers.

Functions

- To promote measures for securing and preserving amity and good relations
- To comment upon matters of their common interest or concern
- To compose any material difference of opinion in respect of such matters.
- The works committees are normally concerned with problems of day- to-day working of the undertaking.
- Indian Labour Conference, 1959 has illustrated the list of items which works committees can deal with;
 - a) Conditions of work
 - b) Amenities such as water, canteen, medical and health service etc.,
 - c) Safety & accident prevention
 - d) Adjustment of festival and national holidays
 - e) Educational and recreational activities
 - f) Admin. Of welfare & fine funds
 - g) Promotion of thrift and savings
 - h) Implementation & review of decisions arrived in in the meetings of works committee

Pitfalls in Works committee

- a. Lack of interest due to assignment of minor function s
- b. Lack of competence
- c. Consider as substitutes for CB
- d. Employers insist upon their prerogatives
- e. Inter-union rivalries
- f. Advisory in nature

Suggestion by National Commission on Labour

- a. More responsive attitude on the part of management
- b. Adequate support from unions
- c. Proper appreciation of the scope and functions of the WC
- d. Whole – hearted implementation of the recommendations
- e. Proper co- ordinations of the functions

II. JOINT MANAGEMENT COUNCIL (1958) – JMC

Established in 1958. It should consist of an equal no. of representatives of the management and employees, not exceeding 12. The recognized trade unions should nominate the employees' representatives.

Criteria to constitute JMC

1. At least 500 workers should employ
2. Should have well-established unions affiliated to central organisation.
3. Should have good industrial relations record.

Functions of JMC

- a. Consulted by the management on administrative activities
- b. Right to receive information , discuss & give suggestions
- c. Entrusted with responsibility

Reasons for dissatisfactions

1. Restricted with respect to welfare activities only
2. Fear of TU
3. Workers not having expertise for management & management when complex matters are discussed
4. Management not provides adequate information or decision –making
5. Middle management & supervisors are hostile to WPM
6. Recognized unions find the JMC as quite superfluous
7. Contradiction between the role of union leaders.

III. WORKERS' DIRECTORS (1970)

It has a scheme of appointing workers' representatives on the board of directors of nationalized banks. The qualifications laid down for the WD were, he should have been in continuous service of one or more nationalized banks for a period of 5 years & should not reach superannuation age during his term of office for a period of 3 years.

Reasons for failure of workers Directors

1. Workers were ill-equipped
2. Management never liked to share its privilege
3. Unions opposed to these directors
4. Workers directors unable to play double role.
5. Losing a good worker & getting a bad manager

IV. WORKER PARTICIPATION SCHEME (1975)

- Central Government adopted this through a resolution
- Voluntary scheme like 1958
- Covered all manufacturing & mining industries
- Employing 500 or more persons
- Shop councils at the shop & floor level and
- Joint councils at the plant level.

A. Shop Councils: Features

- a) Whether a JMC already exists or not there shall be a shop council for each department or shop
- b) Each council consist of equal no. of employers and employees representatives
- c) The total no. of members may not exceed 12
- d) All decisions of a shop council shall be on the basis of consensus and not by a process of voting
- e) Every decisions should be implemented within one period
- f) Once its formed, shall function for a period of 2 years
- g) Council shall meet at least once in a month
- h) Chairman shall be a nominee of management; the Vice-Chairman shall be a workers' members

Functions of the Shop Councils

- a) Assistance in achieving production targets
- b) Improvement of production, productivity and efficiency
- c) Elimination of wastage and optimum utilization of machine capacity and manpower
- d) Identification of areas of low productivity and to eliminate relevant contributing factors.
- e) Study a absenteeism and steps to reduce them
- f) Safety measures
- g) Maintaining general discipline
- h) Physical conditions of working
- i) Welfare and health measures
- j) Proper flow of adequate two-way communication

B. Joint council: Features

1. Only a person engaged in the unit shall be members of the JC
2. Should function for 2 years
3. Chief executive of the unit shall be the Chairman & Vice – Chairman will nominated by workers – members
4. JC shall appoint one of the members as secretary
5. JC shall meet at least once in a quarter
6. Decisions shall be taken by consensus & not by a process of voting

Functions of the Joint Council

1. Optimum production efficiency and fixation of productivity norms of man and machine
2. Matters emanating from shop councils which remain unresolved
3. Work planning and achieving production targets
4. Development of skills of workmen and adequate facilities for training
5. The preparation of schedules of working hrs. and of holidays.
6. Awarding of rewards for valuable and creative suggestions received from workers
7. Optimum use of raw materials and quality of finished products and
8. General health, welfare and safety measures for the unit or the plant.

Drawbacks of workers participation scheme

1. No middle level participation
2. Not suit for large multi-product companies
3. Overlapping in the functions
4. Not clear in their respective areas
5. Management might not be possible to implement the decisions.
6. The unions/workers were only to be consulted.

V. NEW SCHEME ON WORKER PARTICIPATION (1983)

The Government of India has introduced

Features

- 1) Restricted to central public sector undertakings only.
- 2) Operated at shop floor and plant levels
- 3) Equal no. of representation of both the parties
- 4) Different categories of people can take part but exclude the managerial persons
- 5) Exact no. of representatives was depend on total work force.
- 6) Representation was been given to women workers by 10% or more of the total work force.
- 7) The scheme had universal applicability irrespective of the no. of workers employed.
- 8) The functions of participative forums at various levels were made more elaborate

The forum at the plant level was to look into the following functions:

Operational Areas

Evolution of productivity schemes taking into account and local conditions; plg, implementation and review of monthly targets and schedules; etc.

Economic and financial areas

- Personnel Matters
- Welfare Areas
- Environmental Areas

Some Issues for consideration

1. Integrated scheme
2. Mode of representation
3. Coverage
4. Voluntarism or legislation

5. Scope of the forums
6. Levels & support – system

VI. THE PARTICIPATION OF WORKERS IN MANAGEMENT BILL, 1990

Provide a framework for all workers in management and at all levels.

ALTERNATIVE APPROACHES TO PARTICIPATION

A. Workers – Shareholders

The workers are made the shareholders in the co. The workers are allowed to pay the purchase money in convenient installments and are even granted loans for this purpose.

B. Quality Circles (QC)

Quality circles is a small group of 5 to 10 workers who volunteer to meet regularly to solve problems affecting their work, e.g., how to improve quality, reduce production costs, raise productivity improve safety and son on. Typically, the group itself identifies a problem analysis it, develops solution and presents the same to management. The quality circle usually meets during co. time one a week. QC was first developed in Japan in the early sixties.

Requisites for success

1. There should be middle managements support
2. There should be a firm commitment of top management
3. Those who lead the circle should be trained
4. Groundwork should be carefully planned and carried out
5. The whole culture of the organisation must change
6. There should be recognition of the work done.
7. There should be regular follow- up by constant appraisal.

Advantages of Quality Circle

1. It is a voluntary forum of workers
2. It makes full use of a workers' potential
3. It provides the worker autonomy and sense of achievement
4. It ensures greater participation & involvement of a workers
5. It helps in finding solutions to several problems
6. It helps in creating cohesive group with improved morale

C. Empowerment

The difference between this concept and the earlier concept of WPM lies mainly in the reasons behind the concepts rather than any major divergence in the concepts themselves. The need for WPM comes from management's desire to make employees more satisfied on the assumption that this would make them more productive. But the need for empowerment come from business needs that are central to the success of a company fast response to customers, strong cross-functional links at multiple levels and the need to seize opportunities that are too local, too fleeting or too many in no. to permit a centralized decision-making process. However, the strategic choice of the extend to which empowerment should be given must be based on the type of industry or service, sense of responsibility of people, environment, etc.,

Indicators of an empowered work force

1. People show an awareness of the goals and strategy of the organisation.
2. They take personal responsibility for the outcomes of their work
3. They continually monitor their own performance
4. They seek additional resources when they don't have what they need to perform well
5. They take initiatives to help people in other areas to improve their performance.

Merits of Empowerment

1. Speed
2. Formation of important cross-functional links
3. Morale
4. Compensation for limited career paths

Demerits of Empowerment

1. Greater potential for chaos
2. Breakdown of Hierarchical control
3. Demoralization

Requisite for the success of Empowerment

1. 360 –degree feedback
2. Variable rewards with some group component
3. Error tolerance
4. Enhanced communication
5. Generalist managers and employees
6. Support of management.

INTERNATIONAL LABOUR ORGANISATION (ILO)

The ILO was born on April 19, 1919, because of the peace conference convened at the end of world war – I at Versailles. As an original signatory to the treaty of peace, India became a member in 1919. In 1946, when the United Nations Organisation came into being the ILO became the first specialist agency of the organisation. The Constitution of ILO provides for the following basic principles: -

- a) Labour is not a commodity
- b) Freedom of expression & of association are essential to sustained progress;
- c) Poverty anywhere constitutes a danger to prosperity everywhere; and
- d) The war against want requires to be carried on with unrelenting vigor within each nation, and by continuous and concerted international effort in which the representatives of workers and employers, enjoying equal status with those of governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.

Objectives of the ILO

Also known as the declaration of Philadelphia, following are the objectives of the ILO;

1. To achieve full employment and to raise the standard of living ;
2. To provide employment to workers in the occupation in which they can have the satisfaction of giving the fullest measure of their skill and make their contribution to the common well-being
3. To provide facilities for the training and transfer of labour

4. To formulate policies in regard to wages and earnings, bonus, and the other conditions of work
5. To get effective recognition
6. To extend social security measures.
7. To adequately protect the life and health of workers
8. To provide child welfare & maternity protection
9. To provide adequate nutrition, housing and facilities for recreation and culture;
10. To assure equality of educational and vocational opportunity

Three Principal Organizations in ILO

1. International labour Office

The head office of the organization is situated at Geneva. The Director General is the Chief executive of this office. The Governing Body appoints him for 10 years. He is assisted by 2 Deputy Directors General, 6 Assistant Directors General, 1 Director of the International Institute for Labour studies, 1 director of International Institute Centre of Advanced Technical and vocational training, advisers, chiefs of divisions, and other staff drawn from various countries.

The main functions of this office are;

To prepare documents on the items of the agenda of the IL conference

1. To assist government in framing legislation on the basis of the decisions of the IL conference;
2. To carry out its functions in connection with the observance of the conventions;
3. To bring out publications dealing with industrial labour problems of international interests;
4. To collect and distribute information on international labour and social problems.

2. The Governing Body

It is a tripartite body consisting of 56 members of whom 28 represent governments, 14 employers and 14 workers. The period of office of this body is 3 years. The functions of this body are as follows:

- To coordinate the work of the organization;
- To draw up the agenda of the IL Conference
- To appoint the Director General of the office;
- To scrutinize the budget
- To follow up implementation by member-states of the conventions and recommendations adopted by the ILC;
- To fix the dates , duration and agenda of the Regional Conference
- To seek opinion from the International Court of Justice on the directions of the ILC

3. The International Labour Conference

This is tripartite in composition and meets at least once every year. Its functions are;

- To formulate international labour standards
- To fix the amount of contribution by each member-state
- To select once in 3 years members of the Governing Body;
- To elect its presidents;
- To ask the Governing Body to seek opinion from the International court of Justice

- To decide the budget expenditures prepared by the Governing Body
- To appoint committees to deal with different matters during each sessions;
- To regulate its own procedures;
- To make amendments to he constitution;
- To confirm the powers, functions and procedures of Regional Conference

Functions of ILO

1. It passes conventions and makes recommendations on labour matters every year, which are then considered by the governments of members – countries for adoption.
2. It gives expert advice to member-countries in making plans for improving their labour conditions.
3. It carries out research studies on labour problems throughout the world and publishes its findings in the form of books and magazines.
4. Its international Institute for Labour studies which was set up in 1960 has 2 broad aims, viz., education for leadership in labour and industrial relations and research for developing ideas on labour policy.
5. It trains people in solving labour problems in their countries.
6. It organizes regional conferences every year.

Supervision of ILO on the Implementation of Its Conventions

In addition to above 3 principal organs the ILO has the following bodies to supervise the implementation of its conventions and recommendations.

- (i) Committee of experts on the application of conventions and recommendations
- (ii) Fact-finding and conciliation commission on freedom of association
- (iii) Committee on freedom of association