

Workers Participation in Management of a Public Sector Industry (Steel Authority of India Ltd.)

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Abstract: *This paper deals with most important outcome of great industrial revolution which is the change in the approach of management towards workers. The workers no more considered as machines their feeling ambition and emotions have been duly recognized by the management. The management has realized that the organizational objectives can be achieved only if the workers cooperate with them. Therefore, all the effects are made to get their cooperation. Workers participation is an important device to the management. The study concentrates on worker participation in management.*

Key words: *worker participation, cooperation, management, worker, recognition.*

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I. Introduction

Workers participation in management (WPM) has come to stay in both developed and developing countries. Its efficacy as a system is no more in question but its content, and structure, is what is debated about, in terms of the 'best fit'. The concept is an extension of the political system to the workplace. In a democracy, participation of the people in the political process is an essential ingredient of the system; similarly, WPM is an extension of the political process to workplace relations. Participation in the political context is an influencing process, so also at the planet level; it affects employee terms and condition of employment. Yet at the same time, the process of participation also helps in understanding the dynamics of an enterprise's viability and hence mutually helps in establishing greater viability, rather than precipitating a "We-they" culture. Such a process helps in the growth of the individual and creates a sense of belonging. "Industrial democracy means that workers and employers should feel that in their work they will be evaluated and respected as free persons of equal value within the framework of the rules and natural order and discipline that will always be needed in a well regulated industry. In an atmosphere of co-operation, mutual respect and tolerance, they should have the natural right to influence condition and measures that affect them directly and the whole community inside the undertaking". The idea of WPM as an alternative to the capitalist pattern of management has emerged in responses to: (1) "the threats from the emerging centres of countervailing power, particularly the organized labour; and (2) The demands of continuous production during the world wars when managers tried strategies to insure uninterrupted industrial activity." Other factors which led to the need for WPM are the growth of public enterprises, experiments of industrial psychologists (which proves beyond doubt that a person works better when he wants to work rather than when he is compelled to work) development of scientific management which encouraged closer cooperation between employers and employees in order to increase the efficiency of the undertaking, and the role of ILO which clearly observes in its Philadelphia declaration the importance of measure which would lead to a close collaboration of workers and employers.

There are two forms of participation:

1) *Ascending Participation:* Here the workers may be given an opportunity to influence managerial decision at higher levels through their elected representatives to joint councils or the board of directors of the company.

2) *Descending Participation:* Here the workers are given the powers to plan and to make decision about their own work. Workers can also participate through the collective bargaining.

3) *Evaluation of Wpm:* Despite the noble intentions and evolution of the various WPM schemes over the period, the schemes have not been a success. There are ample evidences to report that the Indian experience in workers' participation in management has been far from satisfactory. To quote, the 1983 scheme was introduced in only 91 out of 216 central public sector undertakings up to September 1986. In a study covering six industrial units, (three each from public and private sectors) concluded that the functioning of JMCs had not been entirely satisfactory for reasons like JMCs imposition from above and its acceptance after hard persuasion, no clear-cut demarcation of JMCs from other consultative committees like works committee and production committee, etc..

II. Review Of Literature

A. Bhat and Maheswari (2005)

examined the human resource challenges in business organisations. A major findings of the study has been that most respondents express their desire to assume greater levels of responsibilities and expect more transparency and involvement in manpower planning and development of the people. The study called for labour involvement at various stages of decision-making in an Organisation right from the idea generation stage.

B. Brigid and Bechtold (1997)

explored how organisational culture was created and its impact in industry and studied how inclusion and participation become the cultural norms in an Organisation. The studies found that there should be a change in the fundamental assumptions about human nature, organisational philosophy, and business strategy to self organisations. Only then participation will work effectively.

C. Marin Garcia (2001)

has studied the participative management in Spanish large industrial companies. He observed that a considerable amount of companies has opted for introducing procedures that are aimed towards workers participation. The study identified those programmes and procedures that are associated to participative management, industrial democracy, and co-operatives. It identified the relationships existing among participation programmes and also the situations in which participative companies will most probably be found. A comparison was also made of the Spanish situation with that of the large companies in the United States.

D. Nico (1999)

studied the relationship between labour involvement in decision-making and the employees' intrinsic desire to contribute more to improve their professional services. Labour involvement has led to commitment among employees and reduced the need for external monitoring mechanisms. Committed employees need less supervision to control their behaviour and they will strengthen the Organisation's image among the customers and society.

E. Porter (1994)

examined participative management and job satisfaction among community college librarians in the United States. As community college librarians face increasing demands for new services related to the information technology revolution and for expanded instruction to students needing informational retrieval skills, they also face pressures to provide these services within budgetary constraints. The study examined the role played by participative management in contributing to job satisfaction among these librarians. Literature was reviewed showing how participative management contributes to the satisfaction of psychological, social, and self-fulfilment needs described Maslow and Herzberg. The function of participative management was also noted in the human relations theory of management, contingency management theory, and the Total Quality Management model of management. The study confirmed that there was statistical evidence of a moderate correlation between participative management and job satisfaction.

F. Praanikar and Gregoric (2002)

discussed the influence of the different forms of participative management on the power of the management and experts in carrying out the restructuring of the Slovenian firms. The firms with the strongest influence of the management and the experts resulted to be more successful in developing the strategic way of thinking, to have clearer and more defined strategies and goals and to adapt better to the international competition. They further confirmed that the management and experts' power is negatively correlated with the percentage of the workers' representatives on the Supervisory Board.

G. Sankar (2000)

has examined the working of the principles and practice of human resource management in the Apollo Hospitals. The study revealed that many innovative human resource practices including labour involvement in managerial decision-making helped Apollo to develop as a world class institution. The effective quality systems supported by the highly qualified and motivated personnel have created an ideal working environment in the institution.

H. Vijaya Prabha (2007)

conducted a study about participative management in the health care sector of Kerala and observed that there were no small or medium size medical institutions executing participative management through the constitution of committees and councils. Informative participation was dominant in small and medium size hospitals while consultative participation dominated in large units. The study suggested a three-tier participative model with work committees at the grass root level, inter departmental committees at the middle level, and joint management committee at the top level in health care institutions.

I. Walt (2008)

examined the contribution of 'workplace forums' towards the practice of participative management in South Africa. The study gathered the perceptions of management representatives regarding the reasons for the establishment, the process of establishment, as well as the functioning of workplace forums (WPF) in their

respective Organisations. The results indicated that WPF have contributed to workers' participation in a big way. The study recommended that management should create a climate in which more WPF can be established.

J. Wimalasiri and Kouzmin (2000)

asserted that employers' perception of the outcomes of various types of participation was an important factor to influence their willingness to introduce workers' participation. The study ascribed the increasing popularity of the most employee involvement programmes to the wide variety of benefits that they offer employers such as improved performance and productivity, lower costs, motivation, increased morale and job satisfaction, reduction in conflicts, industrial peace and stability, etc. Direct participation in work-related decisions was found to increase organisational performance and productivity, whereas indirect participative practices had positive effects on job satisfaction and reduction in industrial conflict.

OBJECTIVES OF THE STUDY

- 1) To study about satisfaction of workers level.
- 2) To know about the level of motivation of workers by closer involvement.
- 3) To determine the factors for workers participation in management.
- 4) To analyse the relationship between the employees benefit and increasing productivity.

Research Methodology

The researcher chooses descriptive research design method in this study. In this research, Probability sampling was adopted, under that simple random sampling method was used. Sample size is 120. Target respondents are workers of Steel Authority of India Ltd. The research collect data from two sources Primary data and Secondary data Tools used for data collection is Questionnaire. Primary data was collected using structured questionnaire distributed to the 120 respondents. Secondary data were collected from journals and online articles. Tools used for data analysis were Chi-Square, Anova test was applied in this study to reveal relationships among variables from the data.

Hypothesis Of The Study

H0 - There is no significant relationship between age and motivated employees are real asset of any organization.

H0 - There is no significant relationship between income and motivation is an approach for improving quality and productivity.

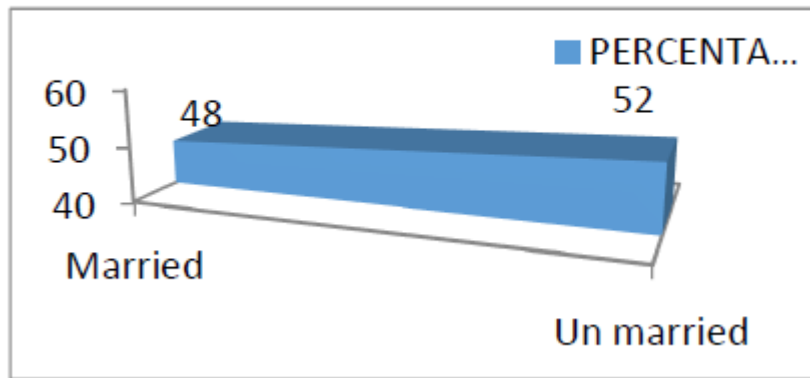
H0 - There is no significant relationship between experience and the female and male employees are treated equally.

Data Analysis:

Table No.1

Marital status	Total	Percentage
Married	58	48
Un married	62	52
Total	120	100

Chart.No.1

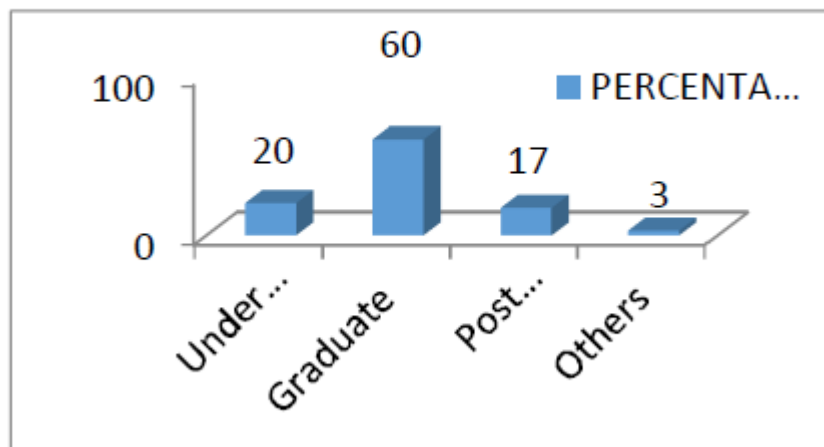


It is found that, 48% of the respondents are married and 52% of the respondents are unmarried.

1) Educational wise classification

Education	Total	Percentage
Under graduate	24	20
Graduate	72	60
Post graduate	20	17
Others	4	3
Total	120	100

Chart.No.2



It is found that, 20% of the respondents are under graduate, 60% of the respondents are graduate, 17% of the respondents are post graduate and 3% of the respondents are other category.

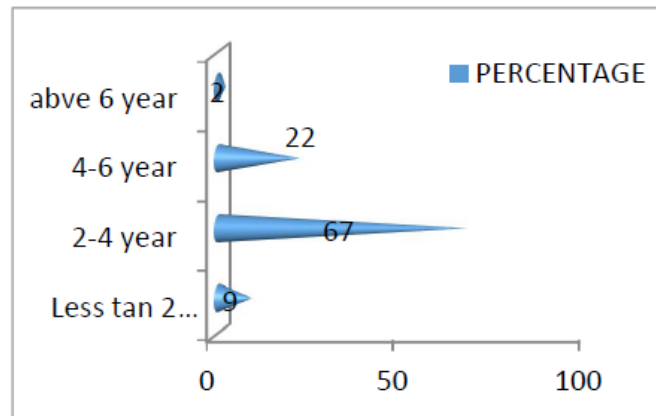
2) Experience wise classification

Table No.3

Particulars	Total	Percentage
Less than 2	11	9

year		
2-4 year	80	67
4-6 year	27	22
Above 6 year	2	2
Total	120	100

Chart.No.3



It is found that, 9% of the respondents are having less than 2 years of experience, 67% of the respondents are 2-4 of year experience, 22% of the respondents are 4-6 years of experience and 2% of the respondents are above 6 years' experience.

3) Rating of statement by the respondents relevant to Work

Table -No.4

Statement	Rating	Total	Percentage
Workers participation is worth while	Strongly agree	23	19
	Agree	26	22
	Partially agree	43	36
	Disagree	18	15
	Strongly disagree	10	8
	Total	120	100
I reserve the recognition for my contribution	Strongly agree	26	22
	Agree	55	46
	Partially agree	33	27
	Disagree	5	4
	Strongly disagree	1	1
	Total	120	100
My co-workers are very friendly and helpful	Strongly agree	23	19
	Agree	24	20
	Partially agree	42	35
	Disagree	25	21
	Strongly disagree	6	5
	Total	120	100
Use my skill in this position	Strongly agree	18	15
	Agree	49	41
	Partially agree	34	28
	Disagree	18	15
	Strongly disagree	1	1
	Total	120	100

From table no. 4 It is found that, 19% of the respondents are strongly agree, 22% of the respondents are agree, 36% of the respondents are partially agree, 15% of the respondents are disagree and 8% of the respondents are strongly disagree with workers participation is worthwhile. 46% of the respondents are agree that recognized for my contribution. 35% of the respondents are partially agree that my co-workers are very friendly and helpful. 28% of the respondents are partially agree that about use their skill in this position.

Table No.5

Statement	Rating	Total	Percentage
I am satisfied with salary & increment	Strongly agree	11	9
	Agree	34	28
	Partially agree	38	32
	Disagree	27	23
	Strongly disagree	10	8
	Total	120	100
Financial reward system is fair & satisfactory	Strongly agree	19	16
	Agree	41	34
	Partially agree	37	31
	Disagree	19	14
	Strongly disagree	4	3
	Total	120	100
Motivated employees are real asset	Strongly agree	14	12
	Agree	23	19
	Partially agree	38	31
	Disagree	31	26
	Strongly disagree	14	12
	Total	120	100
Work environment is important for motivation	Strongly agree	32	27
	Agree	30	25
	Partially agree	32	27
	Disagree	15	12
	Strongly disagree	11	9
	Total	120	100
Motivated employees are effective in their functioning	Strongly agree	21	17
	Agree	23	19
	Partially agree	32	27
	Disagree	33	28
	Strongly disagree	11	9
	Total	120	100
Motivation for improving quality & productivity	Strongly agree	21	17
	Agree	42	35
	Partially agree	44	37
	Disagree	9	8
	Strongly disagree	4	3
	Total	120	100
Good physical working condition is provided in the organization	Strongly agree	11	9
	Agree	32	27
	Partially agree	36	30
	Disagree	27	22
	Strongly disagree	14	12
	Total	120	100

It is found that, 9% of the respondents are strongly agree, 28% of the respondents are agree, 32% of the respondents are partially agree, 23% of the respondents are disagree and 8% of the respondents are strongly disagree about satisfied with salary & increment. 34% of the respondents are agree about fair & satisfactory reward system. 31% of the respondents are partially agree with motivated employees are real asset. 27% of the respondents are strongly agree & 27% of the respondents are partially agree with work environment is important for motivation. 28% of the respondents are disagree with motivated employees are effective in their functioning. 35% of the respondents are agree, 37% of the respondents are partially, 8% of the respondents are disagree and 3% of the respondents are strongly disagree about motivation for improving quality & productivity. 30% of the respondents are partially agree about good physical working condition is provided in the organization.

Table No.6

Statement	Particulars	Total	Percentage
Positive impact of my participation on industrial relations	Strongly agree	17	14
	Agree	26	22
	Partially agree	35	29
	Disagree	32	27
	Strongly disagree	10	8
	Total	120	100
Employees is involved in workplace transformation	Strongly agree	28	23
	Agree	32	27
	Partially agree	26	22
	Disagree	27	22
	Strongly disagree	7	6
	Total	120	100
Sufficient opportunity is given in organization	Strongly agree	14	12
	Agree	26	22
	Partially agree	40	33
	Disagree	29	24
	Strongly disagree	11	9
	Total	120	100
Work accomplishment recognized by organization	Strongly agree	9	7
	Agree	32	27
	Partially agree	30	25
	Disagree	25	21
	Strongly disagree	24	20
	Total	120	100

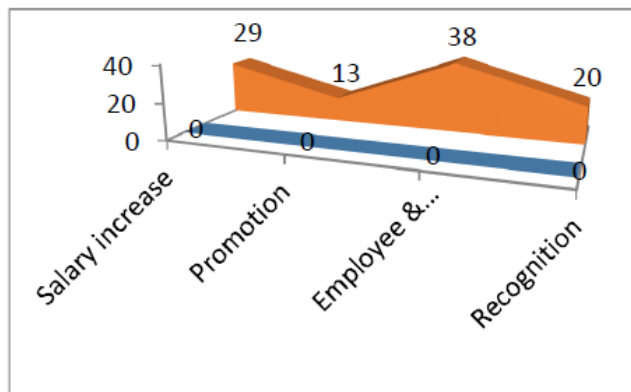
From table no. 6 it is depicted that 29% of the respondents are partially agree about positive impact with industrial relations. 27% of the respondents are agree about employees is involved in workplace transformation. 33% of the respondents are partially agree about sufficient opportunity is given in organization. 27% of the respondents are agree about work accomplishment are recognized by management.

4) Factors motivated for the organisation

Table No.7

Particulars	Total	Percentage
Salary increase	35	29
Promotion	16	13
Employee & employer relationship	45	38
Recognition	24	20
Total	120	100

Chart.No.4



It is found that 29% of the respondents are agree with given salary increment, 13% of the respondents are given promotion, 38% of the respondents are given employee & employer relationship, 20% of the respondents are given recognition is the motivation factors of organization.

Chi-Square: Null Hypothesis:

H0 - There is no significant relationship between age and motivated employees are real asset of any organization.

Alternative Hypothesis:

H1 - There is a significant relationship between age and motivated employees are real asset of any organization.

Table No.8

O	E	(O-E)	(O-E) ²	(O-E) ² /E
14	2.68	11.32	128.14	47.81
9	4.4	4.6	19.36	4.4
14	8.24	5.76	33.17	4.02
29	13.25	15.75	248.06	18.72
8	9.55	-1.55	2.4	0.25
23	8.26	14.74	217.26	26.3
9	6.13	2.87	8.23	1.34
14	2.68	11.32	128.14	47.81
			C.V=	150.4

The table value at 5% level of significance is = 21.026

The calculated value of χ^2 is 150.4.

$C.V > T.V$. $150.4 > 21.06$

Hence, H1----> Accept.

income with motivation is an approach for improving quality and productivity

Null Hypothesis:

H0 - There is no significant relationship between income and motivation is an approach for improving quality and productivity.

Alternative Hypothesis:

H1 - There is a significant relationship between income and motivation is an approach for improving quality and productivity.

Table No.9

O	E	(O-E)	(O-E) ²	(O-E) ² /E
6	3.85	2.15	4.62	1.2
9	7.7	1.3	1.69	0.21
3	8.06	-5.06	25.60	3.17
4	1.65	2.35	5.52	3.34
14	14.52	-0.52	0.27	0.01
23	29.05	-6.05	36.60	1.25
37	30.43	6.57	43.16	1.41
5	6.22	-1.22	1.48	0.23
4	2.76	1.24	1.53	0.55
10	4.9	5.1	26.01	5.30
4	5.13	-1.13	1.27	0.24
1	0.175	0.825	0.68	3.88
			C.V=	23.91

The table value at 5% level of significance is = 21.026

The calculated value of χ^2 is 23.91

$C.V > T.V$

$23.91 > 21.026$

Hence,

H1-----> Accept

H₀ -----> Reject

D. Anova

1) Experience and the female and male employees are treated equally

Null Hypothesis

H0 - There is no significant relationship between experience and the female and male employees are treated equally.

Alternative hypothesis:

H1 - There is a significant relationship between experience and the female and male employees are treated equally.

Thus the calculated value of F is 15.06 which is greater than table value of 9.12 at 5% level with d. f being $v_1=4$ and $v_2=3$ and hence reject the null hypothesis.

Table No.10
ANOVA TABLE

Sources of variation	Sum of Squares	Degree of Freedom	Mean square	F -ratio	5% F -limit (from the F-table)
Between Samples	1904	k-1 5-1=4	476	476	F(4,3)
With in Samples	95	n-k 8-5=3	31.6	31.6	
Total	1999	7		15.06	

There is a significant relationship between experience and the female and male employees are treated equally.

Findings And Suggestion Of The Study

Majority of the respondents are 21-30 years of age group. Female respondents are high compound to male. Majority of them unmarried. Their income is between 21000-30000. 2-4 years of experience respondents are high. There is no proper coordination with co-workers contribution is recognized by an organization minimum number of respondents are given satisfied with salary and increment. Organization can maintain cordial relationship with co-workers and superiors in friendly manner. They can provide the sufficient salary and increment for the employees. Good physical worthy condition, recognition, fair treatment, proper feedback, quality, other benefits are the factors to motivating the employees to increase the productivity and more involving their work in future.

III. Conclusion

The present research paper concludes that combinations of participation and welfare measures (such as equal opportunities and family-friendly policies) appear to enhance both organizational performance and the quality of working life. Policy support should focus on union recognition and activity within a human rights framework, since this can positively influence employees' behaviour towards organizational goals and employer behaviour toward their employees.

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