A STUDY OF THE PROBLEM OF
WORKERS' PARTICIPATION IN MANAGEMENT:
A CASE STUDY IN KENYA

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This Thesis is my Original Work and has not been Presented for a Degree in any other University.

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This Thesis has been Submitted for Examination with my Approval as University Supervisor.

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ABSTRACT

The rapidly growing awareness that in one way or another the concept of workers' participation has to be operated in virtually all organisations makes it one of the most important concepts in human relations. Governmental agencies, businesses, educational institutions - among others in many countries have employed workers' participation in decision-making to improve not only productivity, but a host of other relations relating to human and technological phenomena.

The purpose of this study was three fold. First, it was intended to place workers' participation into its perspective and arrive at a workable definition. Second, the study was to examine the development and operation of the concept with special reference to Yugoslavia and the United Kingdom. Lastly, the operation of the concept was to be examined in a company operating in a developing country - namely Kenya.

Two major and two corollary hypotheses were investigated. Major hypotheses were: Workers' participation in management may not be a workable concept in a less developed country; and, only collective bargaining functions as workers' participation in Kenya. The first corollary hypothesis was that given the high rate of unemployment in Kenya and the prevailing low educational standards, workers are not likely to assert themselves further than fighting for the basic terms and conditions of service. The second corollary hypothesis was that with the historical hierarchical structures, members of management in a typical Kenya company do not favour the idea of workers sharing in the decision making processes of the company.
The study was based on a company in Kenya. A questionnaire was distributed to the entire management and responses were obtained from 31 individuals. Data pertaining to workers were derived from interviews based on another questionnaire, held with a sample of 50 workers. Major hypothesis (ii) could not be upheld. The evidence also did not support the corollary hypotheses. However, major hypothesis (i) was conditionally upheld.

An analysis of the data collected in this study therefore led to principal conclusions which may be broadly outlined as follows:

(i) Collective bargaining is not the only method through which workers can influence managerial decisions.

(ii) Management attitudes were fairly favourable towards the idea of workers sharing in the decision-making processes of the company.

(iii) Although workers currently would appear not to have adequate potential to participate in decision-making, their attitudes towards participation were positive despite their limited opportunities to participate.

(iv) Under appropriate circumstances, the not too poor performance of certain aspects of the existing participative practices can be improved.

(v) The forces which usually encourage the growth of participative practices were weak. The means of communications are poor and inadequate. There is no suggestion scheme in the company. The Works Council is now defunct. Decision-making is concentrated in the top and upper management of the company. These characteristics may not be uncommon in other companies in Kenya and for that matter in most organisations in developing countries.
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CHAPTER ONE

INTRODUCTION TO THE PROBLEM

1.1 Introduction

The idea that workers should share in the decision-making processes of an organisation holds a great deal of contemporary meaning for governments, businesses, universities and other complex organisations. However, this word 'participation' does not refer to a concept which can be clearly defined in scientific terms. As a result of this definitional problem, various countries and organisations have emphasized different aspects of workers' participation in implementing the concept. Schregle states:

"The main conclusion resulting from an examination of the numerous and often diverse efforts made so far throughout the world to institute workers' participation at the enterprise level seems to be that workers' participation is no longer a question of 'whether' but of 'how'.

All governments in Less Developed Countries have been encouraging rapid industrialisation in order to boost a rise in standards of living. While the demands of most workers are still basically to get an adequate wage in order to meet the essential needs, this position may not continue. In Developed countries, for instance, the relationship between work and the satisfaction of material needs has changed significantly. Carpentier argues that living standards in these countries have improved to such an extent that


priority is now given to inter alia the quest for personal and social satisfaction with a view to self-development and self-fulfilment, including participation in work related decisions.

In addition, in Less Developed Countries, while the majority of people with little or no education are involved in manual jobs and may not be aware of opportunities for voicing their feelings, it is not unrealistic to expect that the reverse will happen with improved standards of living. Education is slowly but increasingly spreading to a larger proportion of the population. Economic incentives will reach a point when they will cease to be the most important aspect in the life of a worker. His general awareness will increase and he will press for improvements in the working environment. Sociological and psychological incentives will assume significant importance as personal aspirations and needs become predominant.

In reference to the developing countries, one writer is quoted saying that industrialisation or technical development is a method of providing under-developed regions with work opportunities which will allow them to achieve adequate economic and social standards. But he notes that some forms and conditions of work inhibit personal and social progress, and restrict the social opportunities of workers for social integration. He further states that although some of these work methods enable vital economic growth in the short run, they may rapidly give rise to various problems of social and cultural development. Lischeron and Wall quote one writer saying that participation is the most vital organisational problem of our time as the feeling of well being and a sense of self-realisation of individuals of an organisation are related to participation and its consequences.

3. Ibid., p. 112.
Workers' participation, apart from the social considerations above, has gained increasing interest because it is also closely associated with economic and political phenomena. There is a close connection between productivity and workers' participation. Keith Davis in support of this assertion states:

"... as more recent inquiries would seem to show, from workers' determination to retain control of their conditions of employment the fact remains that any attempt to increase participation by the workers may well unmask reserves of energy that they have hitherto carefully concealed. It is legitimate to assume that organised participation would influence productivity indirectly by reducing the causes of strife or directly by acting on motives other than a desire for gain that certainly affect the behaviour of workers and their organisation."^5

The idea that workers should share in decisions which govern the life of an enterprise has become more of a political issue. In an International Labour Organisation publication ^6 it is stated that while in a democracy the worker has exactly the same political rights as any other citizen, it is paradoxical that the same worker is not normally entitled to have a say in decisions taken within the undertakings in which he works, and which vitally affect him in his job. Further still, it is being increasingly questioned whether really the owners of capital should automatically be vested with the right to exclusively make all decisions. In a wider context, the decisions made by an economic organisation affect not only the workers, but also the community at large.

As a way of concluding, ethical, social, cultural, political and economic considerations all seem to point to an important fact: Workers' participation in management is of paramount importance in current affairs and may continue to be a subject of controversy in many countries.

1.2 Objectives of the Study

The purpose of this study was three-fold. First it was intended to place workers' participation in its perspective and arrive at a workable definition. Second, the study was to examine the development and operation of the concept with special reference to Yugoslavia and the United Kingdom. Lastly, the operation of the concept was to be examined in a company operating in a developing country - namely Kenya.

1.3 Hypotheses

Major Hypotheses:

(i) Workers' participation in management may not be a workable concept in a Less Developed Country.

(ii) Only collective bargaining functions as workers' participation in Kenya.

7. These two countries were selected for purposes of this study because of the following reasons:-

(a) Yugoslavia is an example of a country where there is virtually complete workers' control. This can be said to be one extreme case of workers' participation since;

(i) Self-management embraces the entire social life and is not limited to industry alone, part of industry or any other fields of activity.

(ii) The workers in undertakings do not share authority with anyone.

(iii) the means of production are socially owned.

(iv) the legal foundation and guidance for the implementation of self-management are provided by law.

Britain can be said to be on the other extreme side of the scale. There is very little legal provision for workers' participation.

(b) Both countries have had more than two decades of experimentation and experience with workers' participation.

(c) There exists substantial literature on the two countries and there is continuing controversy and debate on participation.
Corollary hypotheses:

(i) Given the high rate of unemployment in Kenya and the prevailing low educational standards, workers are not likely to assert themselves further than fighting for the basic terms and conditions of service.

(ii) With the historical hierarchical structures, members of management in a typical Kenya company do not favour the idea of workers sharing in the decision-making processes of the company.

1.4 Justification of the Study

It is stated in the constitution of the International Labour Organisation that labour is not a commodity. The workers' need for meaningful and satisfying work as well as participation in decisions that affect their working environment has been evidenced by many studies. For instance, the studies of 'Job Enrichment' in the Olivetti Company in Italy showed that "the ability to undertake more demanding work and the interest displayed in such work are so widespread as to eliminate any doubts in this respect."

The participative situation is presumed to afford employees a broader knowledge of plant occurrences and enables to directly or indirectly influence these occurrences. Such a situation which permits employee influence leads to higher involvement which in turn might fortify identification with the organisation.


Lischeron and Wall are convinced that the problems of participation exist in all organisations irrespective of their differences. They assert:

"Most commentators agree that employees desire and gain satisfaction from increased involvement in matters of direct relevance to their own work activities. More importantly, the research findings have been useful to those concerned to introduce participation at this level." 12

The author is not aware of work which has been carried out in Kenya specifically relating to the question of workers' participation, apart from perhaps collective bargaining which is the dominant method through which workers and their representatives can have a say in areas that were previously the domain of management. Collective bargaining has its own drawbacks, in that as it is being practised through representatives, and workers experience only a form of remote control of the bargaining process.

Collective bargaining may be said to be relatively removed from the workplace in Kenya because trade unions are organised on an industrial basis. By 1972, the 30 major trade unions which formed the Central Organisation of Trade Unions (COTU) were organised on an industrial basis. 13 Most of the negotiations take place at a higher level in the union hierarchy, leaving the worker not really feeling the impact of participation. There is therefore a need for supplementing this method by other forms of workers' participation which should be within closer reach of the worker.

12. Ibid., pp. 500 - 501.
One such form is joint consultation through institutions such as Works Committees and Works Councils. These forms are not without difficulties in the Kenyan situation. Muir and Brown in a brief historical review of the Kenyan labour movement note that the setting up of institutions such as Works Committees by the Kenya Colonial Government in early 1950s was an attempt to deter the development of trade unions. It is likely that attempts by managements to revive such institutions may be interpreted to have the same intentions. It is not known under what conditions workers' participation would best work in a Kenyan situation.

Workers' participation has found expression in national legislation of countries with varying political, economic and social systems. For instance, in India the Industrial Disputes Act of 1947 required the setting up of Works Committees in all units employing 100 or more people. In Tanzania, an Act of 1964 provides for a system of Workers' participation in management by setting up of Works Councils. This shows the importance that is attached to the concept of workers' participation.

In general, most countries accept and recognise the usefulness of the operation of the concept of workers' participation, but express it differently in terms of emphasis and institutionalisation. Although this concept is accepted and implemented in many parts of the world, and despite its benefits, it is not precisely known why there are low levels of participation in Less Developed Countries. If for instance the Kenya Government wanted to institutionalise the idea of workers sharing in the decision making processes of undertakings, or if a company on its own wanted to implement a participative scheme, the question remains as to how a

14. Ibid., pp. 478 - 479
meaningful scheme would then be designed to meet the desires of the workforce. The author hopes to derive some implications from the study which can have a bearing on policy formulation and implementation with regard to this particular aspect.

1.5 Limitations

It is appropriate at this point to consider and state the limitations of this study. This research study was limited to only one Kenya company. No doubt it could have been further enriched if more companies were involved and if the companies were of a diverse nature, such as manufacturing, banking, transport, agriculture - among others.

However, it should be noted that investigations gathering material for academic purposes in undertakings are something new in the Kenya context. The only investigators who go into companies are usually government officials particularly from the Ministry of Labour. These officers are generally treated with suspicion and a feeling of alienation exists between such officers and the companies.

Several companies were approached by the researcher. But in fact only one company permitted the researcher to carry out the investigation despite university assurances that the material collected would be used purely for academic purposes.

The time available and the financial resources could not permit a wider coverage of employees in the company. The researcher was not permitted to interrupt the workflow of the company. For instance, the factoryworkers on the 7 a.m. to 3 p.m. shift had to be interviewed only when they were about to leave the factory. Such a time was not very conducive to interviewing as most workers would be tired and hurrying to go home.

The company branch at Mombasa was not included in the study due to financial constraints. The sample of workers drawn from the workforce in the factories and the headquarters may therefore not be representative of the entire workforce.
In the framing of the questionnaires, it was not possible to give exhaustive questions. This may have forced some respondents to give answers which were not closest to their opinions. But wherever possible, open questions were asked.

Since the degree and extent of participation are likely to vary from company to company, the findings cannot be claimed to be representative of all companies in Kenya. Indeed, since this work is of a pioneering nature, the findings cannot be said to be conclusive. However, the author has the confidence and belief that the investigation will reveal and present some insight into the problem of workers' participation in a typical Kenya company.

1.6 Methodology

This section sets out to give an outline of the methods which were used to achieve the objectives of the study. Apart from reviewing literature which was solely based on library research, the author reviews the present status of workers' participation in Yugoslavia and the United Kingdom.

The investigation which lasted four weeks involved the use of two questionnaires, one of which was administered on a sample of workers who were selected using stratified sampling. The second questionnaire involved the entire management personnel. The management questionnaire was self-administered while that of workers involved face-to-face interviews between the researcher and the respondents.

In addition, informal interviews were carried out between few top executives and the researcher. It has to be noted however that there was a definite reluctance to let the latter have access to company documents. Only very few documents were made available for scrutinising.

17. The question of methodology is given extended treatment in Chapter Four. See page 62.
1.7 **Organisation of the Study**

In Chapter Two, the author attempts to present the varying definitions and interpretations of the concept of workers' participation, its emergence and development as well as the rationale or motivations behind its implementation. In addition some "objectionable features" and negative views related to workers' participation will also be considered.

Chapter Three deals with the operation of workers' participation in Yugoslavia and the United Kingdom, in order to highlight some of the conceptual and operational issues raised in the literature review. Attention is specifically directed on the aims or motivations of operating the participative system, the amount of participation allowed and the main forms it takes in the two countries. A brief historical review of workers' participation in each country is presented.

Chapter Four gives further elaboration of the study design and its limitations, presents the findings and discusses the implications.

Chapter Five, which is the last chapter, presents a summary of the study, makes recommendations and suggests possible areas of further research.
2.1 What is Participation?

It was stated earlier that the concept of workers' participation has no specific meaning. But generally speaking, it implies practices which increase the scope for the employees' share or influence in decision-making at different tiers of the organizational hierarchy with concomitant assumption of responsibility. Walker defines it as:

"The concept of workers' participation in management has two aspects: one is concerned with managers and workers as groups of people, identifiable in terms of their positions in the enterprise" (2) .... (3)

According to the above definition, participation can take place at the group level - thereby combining efforts of trade unions and employers or any other institutions based on cooperative effort and principles. In the first case, the form of participation would be through collective bargaining. While collective bargaining is a well-developed institution in Western Developed Countries, this tradition is still lacking in many respects in Less Developed Countries.

Collective bargaining introduces and involves workers into the practice of interaction with management. But the basic characteristic of this method is not based on mutual interest

2. The word 'enterprise' is used to refer to any work organisation whether public or private set up to provide goods and services.
and common objectives. So there is a need to distinguish it from other forms of workers' participative systems. If this is acceptable, then there is a fundamental disagreement visible in the literature of workers' participation. One argument which lumps collective bargaining together with other forms of participation is that any method which is designed by workers to curb excessive managerial authority can be presumed to be a way of involvement and participation in management. It is regarded as a method of participation by workers and their representatives because first of all, part of the reasons behind the growth of trade unionism has been to oppose unilateral decision-making by management. Secondly, it involves agreement between the two parties. Conditions and terms of service are thus fixed in such a way that involvement, cooperation and participation are encouraged.

In addition, it can provide an effective solution to the practical problems involved in determining terms of employment for large numbers of individuals. Globerson 4 says that participation will exist where employees not only influence their direct job descriptions, but also where they are involved in the life of the enterprise above and beyond their direct job duties.

The opposite argument which seems to separate collective bargaining from the other methods of participation is that collective bargaining is one distinct aspect of the Industrial Relations system. Tabb and Goldfarb explain:

"the main difference between a participative industrial relations system and other systems lies in the special manner of cooperation among participants of the system (whether the source is the situation, force, law, ideology or a combination of them) that finds its expression in the operation for common objectives". 5

Here the emphasis is on common objectives. It can be said that in Yugoslavia, for instance, the legislation specifies that the industrial relations system is to operate for 'common objectives' and the basis of cooperation is the law. Or in joint-consultation, decisions are made jointly by all participants of the system. Both these systems are labelled as 'participative'. In both cases the workers as individuals or through their representatives participate in the decision-making processes.

The various meanings of workers' participation can therefore be narrowed down by looking at the methods through which workers can participate in management. The first method is where workers' participation in management can mean a situation where workers or their representatives can have a say in fields which previously have been regarded as the sole and exclusive prerogatives of management. In this instance, collective bargaining is a distinct form of workers' participation. At one time in the history of the U.S.A.'s management-labour relations, decisions pertaining to work and employment terms were unilaterally made by management. The aim of the National Labour Relations (Wagner) Act was to induce employers to recognise trade unions and also to give them equal bargaining power with management. A trade union in the U.S.A. can block or veto managerial decisions. The necessity of distinguishing collective bargaining from other forms of participation appears to stem from the fact that while the original intentions of legislations in labour-management relations have been to encourage the unions to share and cooperate in the handling of decisions and problems which immediately affect the worker, the usual tendency has been the emphasis on the clash of interests between workers and management which represents the owners of capital.

Second, the method which can be regarded as giving meaning to workers' participation is that through which workers are associated to management purely on the basis of mutual interest. The desire here is to associate workers in the solution of problems arising in the day-to-day existence of the undertaking and to generate understanding by workers of these problems. Even here, some instances have been known where members of management attempt to restrict the subject matter to welfare questions and not to production or financial or to other economic questions. This second method is usually referred to as joint-consultation.

The majority of countries do separate ownership and management functions. Walker argues that schemes through which workers participate in the profits or benefits of the enterprise do not necessarily give workers any part in the managerial functions. He further states that:

"It should be noted that workers' participation in ownership of the enterprise is quite distinct from their participation in management. Participation in public ownership of an enterprise in his capacity as a citizen does not in itself give the worker any participation in the managerial process. Nor does employee stock ownership give the worker any more say in the management of the enterprises than any other shareholder. Workers' participation in ownership as shareholders or as citizens may be a conditioning factor contributing to the adoption of a participative structure, but does not in itself constitute participation in management." 8

8. Ibid., p. 11.
The third method is where all workers or their representatives have been given the right to participate in management decision-making in virtually all functions. That is, workers or their representatives not only decide on conditions and terms of employment, but also decide on welfare matters as well as technical matters which previously might have been unquestionably traditional areas of management alone.

Considering all three methods, collective bargaining and joint-consultation are the most common forms of workers' participation and can co-exist in the same undertaking. The third method of workers' participation is highly restricted to very few countries. An example is Yugoslavia.

2.2. Investigating Workers' Participation

Workers' Participation cannot be measured in quantitative terms. Indirect measures and criteria have to be employed in order to examine its nature in an undertaking. This is usually done through the study of attitudes of workers and members of management. But it is known that sometimes the responses in form of attitudes may be in contradiction to what they actually do in practice. Brown considers an attitude to be:

"a mental and neural state of readiness organised through experience, exerting a directive or dynamic influence upon the individual's response to all objects and situations with which it is related".


10. For instance, a study of British automobile workers found that many of them had entered the industry in search of higher pay, despite their preferences for greater job autonomy. See Goldthorpe, et. al., The Affluent Worker - Industrial Attitudes and Behaviour, London, Cambridge University Press, p.35.

Lischeron and Wall claim that there is so little data which is directly related to employee desires for participation that as a result the authors considering this issue have been forced to turn to evidence of such tangential relevance as attendance figures for trade unions. It is, however, the view of the author that it is not so much that there is little data, but that it is because of the complexity of the concept and problems of measurement which force them to use indirect criteria related to the concept. Such criteria are identifiable in writings on workers' participation. For instance, Arye Globerson gives an example of such measures:

"If employees are given systematic information about the running of the plant, or if they are asked to take part in a suggestion scheme - a certain degree of participation is already manifested".  

Another author in the same tone states:

"The c.ux of the case for an expressed or demonstrated readiness to participate as a 'measure' of attitude is partly its simplicity - a man either has thought of personally participating or has not - and partly its logic. For whatever opinions a man may express about the machinery or purposes of joint consultation, say, if he is willing to let his name go forward for election, or even if he says no more than that he has thought personally of standing for office, he demonstrates a very different attitude of mind from that of the man who says he has never thought of himself in that light at all".  

Such criteria may be vague, but they appear to be about the only possible avenue for studying workers' participation in management. Studies of attitudes of workers and members of management can be particularly important in a situation when one thinks that participation should be introduced but has no information and data upon which it may be founded. But if the system of workers' participation is already in operation, then the measures and criteria can be expanded to include physically observing some of the forms of participation.

For instance, a study by Kolaja in two Yugoslav factories reveals:

"The major fraction of both workers' councils as I observed them, was informative and educational. Management was informed by worker members of the council about attitudes of the rank and file, and worker members were exposed to managerial problems ...... The worker members of the councils or their managing boards participated actively when personnel questions were discussed; their participation fell short of the professed definition of workers' management when technological development as well as financial and marketing issues were discussed." 15

In another study by Harriet Holter 16, in some Norwegian firms it was found that relatively few of the employees felt under those circumstances a need personally to expand their field to include decisions at the top management level.

Some of these studies, though limited, have mainly dwelt on describing the experiments in participation which have been carried out in various countries. Some participative schemes

have failed 17 because they have typically been 'imposed',
either by politicians, trade union leaders, or management,
and have not specifically been designed to be compatible
with the expressed needs of the workforce.

Furthermore, the social distance between workers
and management can be so glaring that the success of a
participative scheme may be doomed to fail. For instance,
Kannappan in reviewing the Indian experience notes that the
social distance between managements and workers' represent­
atives had assumed such extreme forms in Indian Industry that
this was a fundamental weakness in the promotion of acceptance
of the Works Committees. He adds that:

"A number of problems also stemmed from
defects of managerial organisation, which
included grave shortcomings in communication
procedures and internal delegation of
authority .......... 18

The form of participation, particularly joint consultation
is likely to raise some problems of interpretation, since this
method involves workers acting in an advisory capacity unlike
in collective bargaining. In the Indian experience, the workers
in joint bodies such as Works Committees pressed for a good
deal more than was expected. They wanted to give greater
weight to their opinions, while management over-emphasized the
advisory nature in order to preserve their discretion. 19

It is the view of the author that the attitudes of workers
towards participation in management plays a significant role
in the operation of the concept. One writer quite emphatically
states:

"The critical factor appears to be the workers' attitudes .... if there is little interest and pressure for workers' participation among workers, little difference is made by their having high capacities and high relative power or by high acceptance of workers' participation on the part of management". 20

It is equally true that if, indeed, workers had the desire to participate in management decisions, negative attitudes by management can to a large extent affect the amount of participation. These two views are well summed up by Huneryager and Heckman:

"But it must be emphasized that participation is not a one-way street. Participation requires a joint response on the part of both superior and subordinate. Both have to share a zone of interest, recognising that theirs is a joint endeavour. In today's technical world, the manager and worker cannot walk separate paths. The success of one depends upon the success of the other". 21

2.3 Emergence and Development of the Concept

2.3.1 Ideas and Movements

The history of workers' participation initially found expression in such terms as 'Workers' Control' and 'Industrial Democracy' which essentially refer to the government of industry, and a number of schemes aimed at reorganising industrial management. 22 One way of looking at the growth of the concept is

to consider its emergence through the writings of the nineteenth century thinkers and revolutionary movements such as Anarcho-Syndicalism in France, Industrial Workers of the World (IWW) or "Wobblies" in the U.S.A. and to a lesser extent to the Shop Stewards Movement and Guild Socialism in the United Kingdom.

The movements in France and the U.S.A. advocated for a revolutionary situation and were Marxist-Socialist oriented. They were concerned not only with the question of work as a mediating factor in man's relation to his environment, but also with the destruction of capitalism and the disposition of power in the revolution.  

Syndicalism as a philosophy of labour emphasized the class struggle, voluntary organisation by workers and their direct action. It was an anti-capitalist doctrine that stressed the autonomy of working groups. The French political theorist Pierre Joseph Proudhon advocated a self-governing workshop. Syndicalism developed first in France in the 1890s. As a result of continual discussion within the French socialism in the 1880s and 1890s, many unionists broke away from the competing socialist parties because, they claimed, these parties were not representative of the working class interests.

Syndicalists argued that direct action by workers themselves through their unions would lead to worker emancipation. They wanted a social revolution which could introduce a new classless society where workers would not only own but run the undertakings. But at that time, the trade unions were not developed and very few workers belonged to any unions. With the onset of World War I, the French Unions supported the Governments' War efforts when mobilisation started in 1914. After the War, the syndicalist movements collapsed and never recovered. But their philosophy had

its influence felt in other parts of Western Europe (especially Italy, Spain, the United Kingdom), the U.S.A. and Latin American Nations. 25

In the U.S.A., syndicalist ideas helped in the creation of the IWW in 1905. 26 This was a revolutionary union whose objectives were to organise the working class industrially not only for the everyday struggles against employers but for the final overthrow of capitalism. The IWW as a union primarily emerged out of dissatisfactions with craft unionism and the conservative nature and policies of the American Federation of Labour (A.F.L.).

The I.W.W. became a militant expression of class war in the U.S.A. It made appeals to wage earners irrespective of occupation, colour, and sex, altogether attempting to link up the immediate struggle with the necessity for overthrowing capitalism. This however was not to be done through political action, but through labour's economic means alone. 27 It opposed intervention by government and emphasized boycotts, go-slows and other direct actions but did not advocate violence. The I.W.W. eventually declined as a result of internal controversies, splits and general state of hostility. Since 1930 when membership was probably not more than 10,000 members, this movement has maintained a low profile. This movement, however, had an impact on the labour movement in the U.S.A. It posed a challenge to the AFL which now took more interest in the organisation of labour, improved conditions among many groups of workers and made it easier for negro workers to organise into unions. "The long-run significance of the organisation for the labour movement lay in the IWW's demonstration that unskilled labour could be successfully organised into industrial unions. 28 In the United Kingdom, syndicalist

25. Ibid., p. 565
27. Ibid., p. 215
28. Ibid., p. 215
ideas had spread from France before World War I.  

2.3.2 Management Schools of Thought

A second way of looking at the emergence and development of workers' participation is to consider how management thinking and practice has been changing, eventually to culminate into the general acceptance that workers ought to have a say in decision-making.

The practice of management has been going on for centuries. But the Industrial Revolution led to the growth of enterprises into complex organisations. The traditional methods of managing became obsolete and there was an obvious need to organise a body of knowledge to help provide guidelines for rationalising the work processes.

The so-called classical theories began in the period when the Protestant ethic was prevalent. The belief was essentially that man's life on earth and entrance into heaven were predetermined by God. Accordingly, efforts to improve the conditions of workers were futile. By the turn of the 19th century, this ethic became too inadequate to meet the prevailing conditions, and more fundamentally lacked any guiding principles. A new school of thought - scientific management - emerged. It was represented by theorists and practitioners such as Taylor, the Gilbreths, Gantt, Babbage, Gulick and Urwick - among others. Taylor is regarded as the father of this school.

They advocated a rational study of management in order to improve it. Argyris quotes one writer who summarises the principles involved. First, they wanted to separate planning from doing or performance. As opposed to the prevailing situation at

29. The author proposes to review the history of workers' participation in the United Kingdom in Chapter Three. See page 43.
the time when workers relied on rules of thumb to perform their tasks, they wanted management to take over the responsibility of planning. Planning was to be based on motion and time study and other data related to production. Secondly, management was to scientifically determine one best method of performing a particular task. Thirdly, the planners were to be trained on the application of scientific principles of management and control standards.

We can infer from the above that Taylorism was primarily concerned with division and specialisation of labour, work measurement and efficient effort expenditure. This school proved inadequate because of shortcomings which stemmed from the assumptions underlying the philosophy. It assumed that material rewards are closely related to work effort, that workers inherently dislike work, and that man is basically lazy, indifferent and unreliable. Therefore, tight and close supervision was to be maintained on workers if production was to increase. In a pragmatic way, Taylorism met its objectives of high production which was necessary for the increasing international trade at that time.

Taylorism became unpopular with unions and met heavy criticism from other thinkers. A major criticism is well stated by Etzioni:

"Although Taylor originally set out to study the interaction between human characteristics and the characteristics of the machine, the relationship between these two elements which make up the industrial work process, he ended up by focussing on a far more limited subject: the physical characteristics of the human body in routine jobs .......... Eventually Taylor came to view human and machine resources not so much as mutually adaptable, but rather man functioning as an appendage to the industrial machine".

This philosophy was very rigid and it kills worker initiative and creativity. Surely, what machines do as inanimate objects is not a result of their free will but as a means to achieve certain objectives for the human beings. Yet Taylor did not distinguish between the two.

Taylor's drive for increasing the productivity of human effort assumed away workers' participation because it was believed that workers were incapable of rational thinking. So the process of thinking, planning and making decisions were made prerogatives of management. If a complex situation developed, it had to be referred to higher management. Under such assumptions, therefore, workers' participation in decision making was unheard of.

Criticisms arising out of Taylorism were to prompt a rethinking of better theories. Dr. Mayo of Harvard University who became the Director of Hawthorne Studies in Western Electric Company, and who is associated with the Human Relations school of thought, de-emphasized the idea of a worker as a mere factor of production and instead emphasized the socio-psychological phenomena operating in the workplace. Miller and Form in their book have summarised the major findings of the Hawthorne experiments:

(i) Work is a group activity.
(ii) The social world of the adult is primarily patterned about work activity.
(iii) The worker is a person whose attitudes and effectiveness are conditioned by social demands from inside and outside the factory.
(iv) Need for recognition, security, sense of belonging is more important in determining workers' morale and productivity than the physical conditions under which he works.
(v) Informal groups within the factory exercise strong social controls over the work habits and attitudes of the individual worker.

Group collaboration does not occur by accident; it must be planned for and developed. If group collaboration is achieved, the work relations within the factory may reach a cohesion which resists the disruptive efforts of adaptive society.

These conclusions are important in two ways. First, they are directed to the employee as a human being who is not only guided by personal material and immaterial gains, but by a larger environment surrounding him. Second, the concept of group activity is introduced. And it is this which has the most direct relevance to workers' participation. When a man belongs to the group in an undertaking, he begins to feel that he is a true part of the organisation.

The contribution by Mayo and others in the Human Relations School is well expressed by Butteriss:

"The humanist approach assumed that the most satisfying organisation would be the most efficient. It was suggested that the workers would not be content in the cold, formal rational organisation that satisfied economic needs. Instead management should encourage better communications and allow participation". 33

Associated with the Human Relations School of thought are the motivational theories which have been a result of studies in socio-psychological areas. One of the theories which has gained prominence is the theory of human needs as developed by A. Maslow. Different people differ in their needs, however, Maslow hypothesized that certain needs appear to recur in an orderly hierarchical fashion. Maslow's hierarchy of needs covers physiological, safety, social, esteem and self-actualisation needs. He stipulated that the hierarchy expands with higher needs emerging as a result of the satisfaction of lower order needs. The hierarchy is illustrated

What then is the significance of Maslow's hierarchy of needs as far as workers' participation is concerned? According to him, when an employee begins to feel more materially secure, his needs for self-expression and self-fulfilment become prominent. Hymon Johnson has this to say:

"in certain industrialised societies where food is abundant and medical facilities are readily accessible, we might assume that the physiological needs are satisfied among workers to a relatively large extent. According to Maslow's scheme, then human organisation behaviour in such societies might be dominated by sociogenic motivation and the 'higher order' needs". 35

Butteriss concludes that in suitable circumstances and proper management, the majority of men can be self directed. It can be said that Maslow's arguments had a substantial impact on managerial thinking and in particular, with regard to a worker's role in an organisation.

Maslow's thinking shows that a work situation should be able to provide more than the material needs. It should provide opportunities beyond his basic needs. Through workers' participation, workers are capable of satisfying their social and esteem needs. As McGregor 36 says, when chances are given to people to participate in management, they will be encouraged to direct their own creative energies towards organisational objectives and will be given some voice in decisions that affect them as well as being given the opportunity to satisfy their social and egoistic needs.

The last school of thought to be considered is the systems model which combines the social and technical factors of production. A system is generally defined as an organised, unitary whole composed of two or more inter-dependent parts, components and subsystems, and delineated by identifiable boundaries from its environmental supra-system. This school of thought provides a way for management and organisation theories to include all the diverse knowledge from relevant underlying disciplines. The system, besides being composed of subsystems and having boundaries which delineate it from broader systems, receives inputs, transforms them and returns output to its environment. In case of a business; money, people and other resources are inputs to the system. But this system is behavioural in the sense that it is composed of people with activities that are defined in terms of their orientations, power, values and goals. But because a business is constrained by an external environment, and since the latter changes, it is necessary to incorporate into the system such values as full and free communication, reliance on consensus to manage conflict, an atmosphere that permits emotional expression. Butteriss 37 believes that a democratic organisation becomes a functional necessity whenever a social system is competing for survival under conditions of change.

37. Butteriss, Margaret, op. cit., p. 22.
This section has dealt with some of the factors which have helped to give increasing interest to the concept of workers' participation in management. We have seen that scientific management shut out any possibility of workers' participation in management. The shortcomings of this management philosophy provoked social scientists to take a second look at human nature and motives. The Human Relations school, by emphasizing the needs of the individual, sowed the seeds of workers' participation as we understand it today. The systems view strengthened this by pointing out that workers are a component of a social system, and cannot be disregarded. There is now a general consensus that the sociability of man in a workshop situation and workers' views are of paramount importance in organizational performance, success and survival.

2.3.3. Other Factors

It is true to say that no country of modern times can exist in isolation. There has been a relaxation of the 'cold war' since most Western capitalist countries do, to some extent, tolerate communist parties in their political systems. The emergence of socialism as a world force has increased the realisation that labour is not a commodity. The importance of labour was manifested in the setting up of ILO in 1919. One writer says that a specific trend today is towards participation and self-management in work situations. 38

Technological and economic factors have played an important part in the development of Welfare of mankind. But; writers such as Hetman have demonstrated that technology is not the prime factor in change and social progress .... they insist that it should be considered a variable which is subordinate to social objectives. They are thus in agreement with the conclusions of O.E.C.D., which in 1971 recommended that growth and technological innovations should be turned to better advantage

so as to fulfil the aspirations of the workers". 39

Indeed, that these technological and economic factors are being questioned is not surprising since we find experiments being conducted in some parts of the world to restructure the work organisation so that it can be meaningful and satisfying and participation is one of them.

For instance in the 1940s, the Harwood Pyjamas Company introduced changes in the technique of making pyjamas. Group decision-making was encouraged and subordinates were actively involved in the process of introducing change. As a result of these changes and employees' participation, a better product emerged and the time of production was shortened - among others. Consequently, the management of the plant became firmly convinced of the value of workers participation in changes which affect them. 41

In U.S.A. an experiment by Morse and Reimer in an insurance company, was carried out to change the levels of decision-making and bring it nearer the employees. "The introduction of self-determination among the employees on the autonomous divisions increased their sense of self-actualisation ......

After participation had been increased, those who were involved said they were most satisfied with their supervision, the company and the job". 42

42. Butteriss, Margaret; op. cit. p. 44.
2.4 Rationale Behind Participation

Before examining the rationale or motivations behind the operation of the concept, it is appropriate to first consider the problems involved in measuring benefits which emanate from a participative system, because whatever the rationale may be, it will be aimed at achieving certain objectives which should be beneficial. An organisation will be judged by how well it meets its primary objectives - that is, accomplishment. One cannot decisively say that highly autocratic management will not achieve its objectives. The complexity of participation and its effects were revealed in the Scanlon Plan which was adopted at the Linwood Plant of the Pressed Steel Company in October 1963. Gray observes that the impact of the suggestion scheme could not be realised in the long run because of other intervening variables. For instance, the bonus scheme was inadequate, and the redeployment system was unpopular. The suggestion scheme could not be effectively operated not because this participative system was inherently weak, but because of these other factors.

43. This plan is named after its author Joseph Scanlon. It is an approach suggested to secure widespread employee participation in order to obtain industrial peace and higher productivity. The plan consists of two parts: (i) a wage formula or incentive, and (ii) a new form of suggestion scheme. This plan has been popular in the U.S.A. The wage formula is aimed at relating industrial earnings to overall efficiency. The suggestion scheme is related to every phase of production, not just to complaints. The basic idea is to improve company efficiency. A successful Scanlon plan is supposed to have the following results: (1) More and better suggestions, (2) Higher Productivity and profits, (3) Decreased resistance to change, (4) Better union-management relations, (5) Greater cooperation, (6) Increased motivation.

But over a period of time, Huneryager and Heckman 45 have observed that the giant companies today which rank foremost in terms of profits, assets, research and development, are the ones which have genuinely implemented the involvement of workers in management in order to satisfy some of their higher needs. In this section, an attempt will be made to examine the various motivations behind the implementation of the concept of participation. These motivations can be broadly classified as economic, political, social and ethical.

2.4.1 Productivity

Participation of workers in management is regarded as a major factor in increasing productivity. According to Davis:

"In spite of the difficulty of developing participation, it has enormous potential for increasing productivity, bettering morale and improving creative thinking". 46

This idea is crucial for organisational performance. But it cannot be stated that there is a direct relationship between participation and productivity. Increased productivity may be a result of other variables such as technological progress, the speed with which new knowledge spreads and the funds available for investment. However, the close connection between these two is supported by the ILO:

"productivity of labour depends to a very great extent on the general atmosphere within the undertaking. Whatever the type of industrial or economic system, there can be a deliberate 'go-slow' by labour. Whether this is to be explained on strictly economic grounds in terms of an attempt to prevent the raising of output standards and thus reducing any possible unemployment or

46. Keith Davis, op. cit., p. 615.
........ a desire 'o master a certain system of social relations and defend it against attack from outside it would seem legitimate to conclude that organised participation would influence productivity indirectly by reducing the causes of strife or directly by acting on motives other than a desire for gain that certainly affect the behaviour of workers and their organisation." 47

Usually the reasons why participation contributes to the more efficient use of human resources have been summarised by Walker. 48 First, workers have ideas which can be useful. Second, effective communications upwards are essential to sound decision-making at the top. Third, workers may accept decisions better if they participate in them. Fourth, workers may work harder if they share in decisions that affect them. Fifth, workers may work more intelligently, if through participation they are better informed about the reasons for, and intentions of decisions. Lastly workers' participation may foster more cooperative attitudes amongst workers and management, thus raising efficiency by improving teamwork and reducing the loss of efficiency arising from industrial disputes. In addition, participation may act as a spur to managerial efficiency.

The studies of Coch and French 49 which were carried out in Harwood Manufacturing Corporation, showed that resistance to change can be done away with by the use of group meetings in which management effectively communicates the need for change and stimulates the group participation of planning changes. Participation also helps in the training of future managers in the sense that workers can get to know the company better and those who deserve promotion can go higher up in the organisation to exploit their potential. It can be argued that a country which is seriously concerned with localisation of manpower can be helped by workers' participation because workers

can get to know what happens in the undertaking in which they work.

2.4.2 Worker Alienation

It is said by supporters of workers' participation that it mitigates alienation and promotes personal fulfilment. Blauner in his study concludes that the historical development of mechanised technology and rationalised work organisation has resulted in social alienation, powerlessness, and estrangement. He argues further that a modern worker is exposed to all sorts of controls and manipulations, directly or indirectly, and that the worker cannot assert himself as a subject to change or modify this domination. He says that bureaucratic structures encourage a great deal of specialisation and division of labour which culminate in the loss of sense of purpose and depersonalisation.

Workers' participation is frequently supported on grounds of human rights. The Declaration of Human Rights (1948), Article 22, says that everyone is entitled to the realisation of the economic, social and cultural rights which are indispensable for his dignity and the free development of his personality.

Workers' Councils in Yugoslavia, co-determination in the Federal Republic of Germany and joint consultation in the United Kingdom are believed to have been created to give more meaning to work by restoring control over decision-making directly or indirectly through representation.

2.4.3 Democratisation

An argument advanced in favour of workers' participation and which is controversial is that when the system is undertaken, workers in an undertaking will be democratised. The idea of industrial democracy is related to the question of workers' rights. It was stated earlier that workers' participation has assumed a

political dimension. In most countries, the organisation of labour into unions is thought to contribute to the democratic way of life. One writer states that whereas the idea of democracy in a political sense is a broader term, it has relevance to the concept of industrial democracy. The argument is that the worker should enjoy the same degree of democracy on the job as he does in his political life.

For instance in Yugoslavia, workers' self-management is a basic institution in the political and economic system because it is thought that economic democracy is a precondition for political democracy. Walker says that 'participatory democracy'; "stresses the personal participation of the governed in all decisions which affect them. In this view, for a democratic polity to exist it is necessary for a participatory society to exist, and industry is seen as a political system in its own right, offering an area of participation." The above arguments show that industrial democracy and political democracy are interdependent.

2.4.4 Workers' Interests

Participation is regarded as a means of defending and promoting the interests of workers. Transformist movements such as Anarcho-Syndicalism and Guild Socialism basically wanted the interests of workers to be protected.

The extreme of workers' participation in Yugoslavia, and the whole emergence of socialism and trade unionism in the world have the interest of workers as the central theme.

Kendall\textsuperscript{53} says that the movement of 'workers' control' in Britain aims at moving towards a socialist organisation of society so that working class centers of authority can be established to counter the hostility of a capitalist society framework.

Walker\textsuperscript{54} states that workers' participation in management involves either the taking over of managerial functions in the interests of workers, or workers' intervention to alter managerial decisions which are perceived as detrimental to workers' interests.

### 2.5 Arguments Against Workers' Participation

Let us now consider the arguments put forward by those opposed to the idea of workers sharing in the decision making processes in undertakings. Most of the arguments raised do not entirely dismiss the operation of the concept. Rather they attempt to refute some perspectives of the claimed advantages of participation, the degree or the form which the idea should assume.

#### 2.5.1 Quality of Decisions and Technology

We have seen earlier that participation is likely to boost efficiency and productivity. One contrary argument is that decisions taken by participative processes are less satisfactory than those taken otherwise. Participation is also likely to take more time and effort which should be devoted to other activities. In addition, Strauss\textsuperscript{55} thinks that there are extra costs to be incurred, especially those of introducing the scheme such as retraining of supervisors and job redesigning.

\textsuperscript{53} W. Kendall, "Workers' Control and the Theory of Socialism", in Coates and W. Williams (Eds); How and Why Industry must be Democraatised, Nottingham, Institute for Workers' Control, 1969, p. 112.

\textsuperscript{54} Walker, K.F. op. cit., p. 5.

On the question of technology one argument goes that in a modern business enterprise, a worker is exposed to a given technological framework in which he has to perform his duties. In most cases, this framework demands less of his imagination and creativity. Management in such a case does not need a worker who does his tasks faster than the assembly line, but one who performs adequately. The weakness of this argument is that it takes us back to the days of Taylor when labour was considered as merely another factor of production. In such a case the job lacks variability and provides little opportunity for initiative and ingenuity. Where there is little attention required and a workers' inability to control his workspace, there is likely to be an inadequate sense of accomplishment, lack of autonomy and little chance for self-advancement. The total resultant effect may be low productivity. Blauner, in his study, concludes:

"When work provides opportunities for control, meaning, and self-expression, it becomes an end in itself, rather than simply a means to live ............ It is almost the expression of an inner need rather than the grudging payment of a debt imposed by external sources."

2.5.2 Industrial Democracy and Private Enterprise

An objection comes from critics who want to see a clear separation of political democracy and industrial democracy. In this case, the argument is that workers are not completely denied the chance to have influence on the decision-making process. But the idea of management sharing authority with workers is strongly disapproved. An ILO publication quotes one French author who says that the philosophy of political democracy cannot be borrowed and applied to a business organisation.

He argues that the government of a country cannot be likened to the management of an enterprise. Whereas a government has the power to make laws, impose taxes and enforce them using state resources, the latter has neither of these. That to offset their absence, management should be completely free and independent of those to whom it gives orders. This author was obviously stating his convictions against state socialism and restating the old management prerogatives.

At the Technical Meeting held in Geneva (20th - 29th November 1969) to discuss Yugoslavia and the Federal Republic of Germany with respect to the right of trade union representation and participation of workers in decisions within undertakings, this same objection was raised. Some of the participants stated that any limitation of managements' rights to manage was likely to entail fundamental changes in the structure of private enterprise. They advocated a clear demarcation of management functions, those of trade union and other forms of workers' participation.

In addition, opponents of workers' participation claim that management is a highly skilled job, and while it may be proper that workers' views should be sought on matters of general policy and taken into consideration, authority and responsibility should be exclusively retained by management. The main reason for this is that most workers in general have low levels of education and so lack articulation and farsightedness in problems of management.

The 'objections' to workers' participation which have been stated above seem to have flaws that make them unacceptable within the framework of this study. First, the argument that decisions made by workers are likely to be of low quality may be true. But it is equally true that if management is committed to the idea of workers' participation, its views should be sought on matters of general policy and taken into consideration, authority and responsibility should be exclusively retained by management. The main reason for this is that most workers in general have low levels of education and so lack articulation and farsightedness in problems of management.

participation and takes positive steps to encourage workers' education and training, workers can be able to take satisfactory decisions.

Strauss' point of increased costs as a result of introducing a participative scheme and the retraining of supervisors should be measured against the benefits of participation rather than being considered in isolation.

Another objection was that industrial democracy can lead to the difficulty of issuing orders by management and can undermine the institution of private enterprise. Workers' participation implies that there is some zone of joint decision making. And as we stated earlier, decisions jointly made are likely to be more accepted than those unilaterally made by management. The emphasis put on the idea of issuing orders is therefore unwarranted. In addition, if ownership is separated from management (as most countries do), then the threat to private enterprise does not arise.

The last objection considered above was that the workers in general lack the necessary skills to effectively participate in management functions. And that joint decision-making may encourage irresponsibility among participants since no single member can be held responsible for wrong decisions taken. If workers' participation in management fortifies identification with the enterprise, then workers will feel obliged to share responsibility for the entire operation and business of the organisation.
CHAPTER THREE

OPERATION OF WORKERS' PARTICIPATION IN YUGOSLAVIA
AND THE UNITED KINGDOM

3.1 A Historical Review

3.1.1 Yugoslavia

We have seen that the ideas on the concept of workers' participation started in the second half of the 19th century. But the unique system of self-management in Yugoslavia as we understand it today can be said to have really started as late as 1948, when Yugoslavia broke away from Stalin. On 2nd July, 1950 a law was enacted which reorganised the way undertakings were to be administered. The growth of the system of self-management can appropriately be broken down into three phases:

(i) 1947-1952: The economy was managed by state administration.
(iii) 1965 and After: Further consolidation of the self-management socialist society.

1. Some authors state that the law which was entitled, "General Law on Management of Government Economic Enterprises and Higher Economic Associations by Workers' Collective" was passed on 2nd July 1950. For example, see Neal, F.W., Titoism in Action, University of California Press, Berkeley, 1958, p. 120; and Macesiah, G., Yugoslavia, The University Press of Virginia, Charlottesville, 1964, p. 69. Others who differ on this date such as Gorupic D., and Paj, I., "Workers Participation in Management in Yugoslavia", IILS Bulletin, No. 9 p. 130; and Hoffman and Neal, Yugoslavia and the New Communism, Twentieth Century Fund, New York, 1962, p. 246 state the 27th June as the date when this law was passed.

(i) 1947-1952: State Administration

During this period, social ownership of the means of production meant state ownership. The economy was completely planned and directed by the federal government in Belgrade. The state had the powers to hire and fire workers and determine workers' rewards. This meant that undertakings were essentially fully controlled by the state and were left with no freedom of action.

"All important decisions regarding the operation and development of the undertaking were taken outside it by the appropriate organ of the state administration, and its role was confined to making proposals, observations, and reports upwards, and orders and tasks from top downwards".  

One writer says that under this system, workers, although they were assumed that they owned the factories through the proletarian state, had no voice in their operations. Even the managers did not have any real initiative in most matters because of complete state controls.

(ii) 1953-1963 Self-Management

Yugoslavia became opposed to state ownership because although this was a form of socialism, "no progress towards communism could be made unless there was development away from state-ownership". State ownership then in its lowest form could degenerate into 'bureaucratic state capitalism' where workers would be exploited by the states' retention of the surplus value of their production in the same way as under capitalism.

3. Ibid., p. 133.
5. Ibid., p. 119.
So there was a movement away from a centrally planned economy so that the productive system was no longer relying on state machinery, but on producers themselves. The new law governing economic enterprises created workers' councils in each factory with authority to manage the plants. Neal defines the relationship of an undertaking to the state in the following manner:

"According to the law, factories, mines, transport, commercial ........ as the common property of the whole nations, are in the name of the social community administered by their working staffs within the framework of the state economic plan and on the basis of rights and duties established by law or other legal prescription".6

All the detailed functioning and running of the undertaking were handed directly to the members of the enterprises.

(iii) 1964 and After: Consolidation of Self-Management

Yugoslavia's outlook took on a more international dimension. The Dinar (Yugoslav currency unit) was devalued in order to boost the country's international trade, customs tariffs were reduced from 23.3 per cent to 10.8 per cent.7 Subsidies were also drastically reduced. More independence was granted to undertakings so as to compete effectively with other firms in the country as well as on the international scene. As far as planning by the enterprise is concerned;

"For while the Federal Government's annual social plan is the basic instrument, ..... individual enterprises and economic chambers representing groups of enterprises all have their own plans, more or less independent of each other legally. The Federal Plan itself

is in part a plan for other plans - since lesser planning units are expected to coordinate their efforts with it - and in part a summary of other plans". 8

Enterprises were allowed to apportion their revenue for purposes of personal incomes and re-investment.

What were the underlying principles in self-management?
In Yugoslavia, the right of workers to participate in management decision-making is first of all based on ownership. According to Marxist theory ownership of the means of production is the determining factor in any society. Yugoslavia did not consider formal ownership as adequate. They (Yugoslavs) wanted control as well. Traditionally, the management prerogatives in all societies has been based on the ownership factor. Whether the undertaking is individually or state-owned, its management is principally geared towards the satisfaction of the individual interests or public interests respectively. The Yugoslav system has its operation at the grass roots of the economic system - The "Work Collective". In a work collective, workers perform their duties as a community of workers. They work to increase the wealth and assets of their undertakings. They enjoy constitutional rights to manage and to appropriate the results of their labour.

In this economic system, the economy and the position of workers vis-a-vis the means of production as effected in practice is "he who controls the means of production is also the owner of that productive unit". 9 The principle behind this system is well expressed by President Josip Broz Tito in support of self-management:

"Under state ownership .... the worker's attitude toward his job was that of a wage labourer and he was not directly interested in higher efficiency or better performance by his enterprise. He continued to be alienated from the means of production.

and could not change the conditions of production". The second principle on which the concept of workers' self-management is based, is labour itself. Labour as a human factor is special in the sense that humans are moral beings in an economic system and have the right to self-determination and self-management as inalienable rights. Tito mentions this point above.

3.1.2. The United Kingdom

Workers' participation as an idea started with the late nineteenth century thinkers. Marxist and Socialist philosophy was harnessed by the Christian ethic. The Christian thought, however, was not opposed to private property. Anarcho-syndicalist ideas gave further impetus to the concept of workers' participation. Syndicalism which spread from France and other countries was less accepted however than in the United States. Syndicalism was too drastic a doctrine for the British people and instead a mild form in the name of Guild Socialism emerged. Essentially the latter doctrine advocated for workers' control through the use of gradual means where the repertoire of management prerogatives would be eroded. In early 1920s, this movement collapsed. The fiasco of the General Strike in 1926 is believed to have dealt a heavy blow to the British labour movements' militancy.

10. See Jenkins, D., Job Power, William Heinemann Ltd., London, 1974, p. 93. President Tito was delivering a presidential speech at the Sixth Congress of the Confederation of Trade Unions of Yugoslavia in Belgrade 1968.


Prior to this period there had been a shop stewards movement. Membership of trade unions rose rapidly before 1900 but slowed down up to 1910, when it grew fast. The period of the shop steward movement was characterised by a sharp rise in union membership (from 2.5 to over 4 million members) and intense union activity, which was not without major strikes. The outbreak of World War I saw an inevitable and increasing interest by the British Government which wanted to rally union support in the national war efforts. Trade Union officials were allowed to sit on various committees and councils. The war, therefore, was an important factor in the growing acceptance of trade union participation in matters beyond the traditional collective bargaining.

Related to the above development, the British Government established a committee under the Chairmanship of J.H. Whitley in 1916 to report on the relations between the employers and the employed. One of the most important recommendations of the Committee was that collective agreements should be made at an industrial level. The basic principles of the British industrial relations system today are in the main the recommendations of the Whitley Committee. It also recommended the setting up of Works Councils which were representative of management and workers at individual establishments.

The Second World War, and the Nationalisation Acts from 1946 involving Bank of England, Coal and Steel, Electricity and Gas stipulated the constituting of Consultative machinery. These factors altogether changed the power balance between management and workers, and raised questions relating to management prerogatives such as making decisions unilaterally. Up to today, joint-consultation has remained subordinate to collective bargaining as a form of workers' involvement in decision-making.

The concept of workers' control is currently being given serious consideration in Britain. Routledge said:

"The whole topic of industrial democracy in the state corporations is under review. An inter-departmental working party headed by the Treasury is taking soundings and has raised some trade union eyebrows by the number of questions asked on security and the freedom of access to information". 14

A bill to put into effect The Trade Union Congress (TUC) plans for joint union-employer control of industry is about to be introduced in parliament. In fact legislation to increase workers' participation in the Post Office Corporation management will be introduced in the next parliamentary session. 15 The United Kingdom has a long tradition of attempting to involve workers in the management of undertakings, and the present interest in workers' participation reflects the past efforts.

It is appropriate to consider the aims behind the present and past interest in the operation of the concept of workers' participation. It should be pointed out that apart from Nationalised Industries, workers' participation is not legally sanctioned. Butteriss states:

"At the present time the Conservative, Labour and Liberal Parties are interested in 'cooperation and participation' - often only vaguely defined. In some cases, participation is not concerned with the normal top management decisions, but rather with involving the workers in joint decisions on how work will be done and how targets can be set". 16

14. See Routledge Paul (Labour Editor), The Times of Tuesday, June 15th, 1976, p. 4.
It would seem then that the official opinion of the British Government is to encourage cooperation so as to increase productivity. This agrees with the views of Strauss and Sayles who think that the purpose of business is to get the cooperation of workers in order to fulfil the basic aims of business – to increase its profitability and productivity.

Some of the aims behind the desire to involve workers in the life of undertakings can be found in the nationalisation of industries. The overriding reasons for nationalisation are economic but there are also social reasons. There are three major reasons why the British Government (Labour Party) has felt it necessary to intervene in the industrial sphere. And the underlying assumption has been that there is a divergence between social and private interests, and between the way in which scarce resources are allocated under private and social interests.

First, the government desired that the industrial production was sufficient to maintain full employment. So it had to control the 'commanding heights' of the economy. Second, it was intended to increase the volume of exports to maintain external stability. Third, it was concerned with the pattern of industrial output not only to maintain high living standards, but also attain a steadily increasing national product. In sum, nationalisation was seen as a way of maximising national welfare and avoiding public exploitation. Clarke has summarised the objectives of those who urged the nationalisation of industry;

"they believed that public enterprise would be more efficient and more democratically managed than private enterprise. It would provide better wages and working conditions and, with the conflict of interest between

shareholders ...... and workers removed and public accountability established through parliament, it would bring about greater satisfaction and a sense of public service in the workforce". 19

In the nationalisation of industry, statutory provisions for joint consultation were laid down. In the Coal Board, representatives of workers and trade unions today sit on the Board. The emphasis is not so much with the conflict between ownership and self-determination, as it is in Yugoslavia, but with satisfaction, efficiency and better material well being.

As a way of summarising, differences between the two countries are ideological rather than economic. In economic terms, both countries want higher productivity. Yugoslavia's mixture of state and market forces indicate that there is definite desire to encourage competition and increased production. On the question of institutionalisation, Yugoslavia has embodied its objectives in the law and the constitution. For Britain, apart from nationalised industries, the system has been left to work out itself. Where the government has come out with a document of some sort, the dominant theme has been 'efficiency'. For instance the primary objective of joint-consultation is stated in the United Kingdom Consultative Document on a code of conduct of Industrial Relations Practice:

"It is important for efficiency and for good industrial relations that employees should feel that; (a) they are kept informed on matters which concern them; (b) their views are sought on existing practices and on purposed changes which would affect them". 20

3.2 Amount of Participation

In considering the amount of participation in the two countries, we shall ask ourselves three questions: What in general is the range of managerial functions in which workers participate? To what degree is participation implemented? How far is participation spread through the workforce? Individual enterprises may differ in all these aspects but it can generally be said that the two countries seem to portray two extreme concepts of workers' participation.

The first question concerns the scope of workers' participation in management. The range of decisions in which workers participate is very wide in Yugoslavia, while it is limited in Britain.\(^{21}\) In the former country the whole philosophy of self management connotes total independence of workers under appropriate arrangements, to carry out all processes and functions of management. In Britain, there are statutory provisions for consultation in the Nationalised industries, and so it can be said that there is much wider field for this kind of participation than in private industries. But it does not mean that it is any more effective in nationalised industries than in private ones. Even in the case of Yugoslav enterprises, Kassalow\(^{22}\) points out that there have been disappointing performances in the enterprises. In both countries workers have not taken real interest in managerial problems.

In the second question, one would neither be correct to say that workers in Yugoslav enterprises make decisions unilaterally nor that in British undertakings members of management make all decisions unilaterally. In Yugoslavia, the system of self management is such that workers are not regarded as wage earners but work partners who manage the enterprises directly.

\(^{21}\) Walker, K.F., op. cit., p. 10.

The Workers' Councils in Yugoslavia are representative bodies of the workers, and they consider and adopt all the decisions on matters which have been placed under its competence by the statutes of the enterprises. The Director of the enterprise is appointed by the Workers' Council from applications which follow invitations by the enterprise for the post. Although the Director is independent in his work, the rules governing the enterprise constrain him, and he is personally responsible to the Workers' Council. Indeed, he contrasts sharply with a Managing Director in a British undertaking.

In Britain, for a long time, the word 'management' has been used in synonymity with the right to manage. But the repertoire of decision areas which used to be the exclusive and sole prerogative of management have been falling slowly into the hands of collective bargainers. Neil Chamberlain argues that there is no principle involved in demarcating those areas which belong to management and those which do not. Wages are now accepted virtually in all countries as obvious areas for collective bargaining. He argues that the determination of wages is as important as any other decision area. In fact the wage bill may determine the financial performance of the enterprise. No longer does management make all decisions unilaterally in a typical British enterprise. Where it is stipulated that workers will participate in an advisory capacity such as nationalised industries, management makes the decisions appropriately after hearing the workers' views. But of course, it is not bound to accept all the recommendations.

In collective bargaining, negotiations take place between the representatives of workers (unions) and management or its representatives, and no action is taken without agreement. An important question is: why has Britain not legally specified how far workers should influence managerial functions? A plausible answer is attempted by Schregle:

"the possibility of leaving the introduction of workers' participation schemes to the initiatives and agreement of the parties presupposes the existence of organisations of employers and workers of approximately equal strength and a long tradition of collective dealings". 24

There is little doubt that to a large extent the United Kingdom fits these presuppositions.

The third question refers to the extent of workers' participation in management - i.e. how far participation is spread through the workforce. Both countries employ the representative system since it is a common fact that it would be meaningless for a large number of workers making decisions, because meetings would be unmanageable. The Yugoslav Constitution provides that where an undertaking has a working population of thirty members or less, the functions of management will be carried out by the entire workers. If, however, an enterprise has up to seventy members, it is free either to have everybody participating or to elect a number of representatives to constitute a Workers' Council.

Collective bargaining and joint consultation in Britain are also based on a representative system in the British enterprises. For both countries, there is a clear distinction on the question of individual participation. In the United Kingdom, participation at a personal level is possible. But in Yugoslavia it is only the Director of an enterprise who participates as an individual. This difference depends on the underlying principles of the two systems. It can be argued that individual participation is helpful in the sense that it can complement the other formal schemes such as committees, joint consultation and collective bargaining. In Yugoslavia, this aspect of participation is discouraged because collective participation as opposed to individual participation does not frustrate common interests. Gorupic and Paj have this to say in connection with the above view:

"The basic principles of self management relations, equality and the need for finding common interests encourage decision-making through agreement. The obligation to seek common interests tend to lead to a change in the opinion and behaviour of economic agents in joint work. The impossibility of imposing one's own interests compels members to begin to think of common interests. While this may mean a compromise and partial realisation of all the interests that confront and possibly conflict with one another, it may lead to cooperative activity which achieves more than the members could achieve in isolation."  

3.3. Forms of Participation

This part elaborates on the institutionalisation of workers' participation in management in both countries. It deals with the methods and machinery used by workers or their representatives to provide for this concept. Self-management in Yugoslavia is seen to be carried out in two types of organisations - a work unit and an enterprise, although the two may not be mutually exclusive. A work unit is the smallest economic institution and it can be part of an enterprise or it can be autonomous, enjoying all aspects of an organisation. Gorupic and Paj define work units as:

Work units are technically and economically integral units which can operate on the market and have a certain degree of self-management. The criterion for determining these units is the possibility of separate recording of costs and results, and the possibility of workers within the units of influencing product quality, cost, utilisation of machinery.

26. Ibid., p. 142.
In the case of an enterprise, the institutions which are identifiable within it are illustrated in Figure II below.

**FIGURE II STRUCTURE OF AN ENTERPRISE IN YUGOSLAVIA**

![Diagram of enterprise structure]

Source: From various literature on self-management.

The actual authority starts from below going upwards. We shall describe the institutions of self-managing enterprise accordingly. This description is largely based on work done by Gorupic and Paj\(^27\) on Yugoslav enterprises. The Workers' Collective comprises the entire workforce. Every enterprise with more than 70 workers must elect members to a Workers' Council which will carry out the self-management functions. The worker in the whole system ceases to be a mere worker and becomes a worker-manager. His salary depends on the successes and failures of the enterprise. The worker in this system has basic rights which range from being eligible for election to the various institutions in the undertaking, the right to information pertaining to the organisation, and to virtually enjoying all rights of employment. For these rights, a worker has a price to pay. This price is in the form of basic duties which range from working as a good labourer on his job, protecting the property of the enterprise and to strict observance of various rules on safety - among other things.

The Workers' Council which constitutes members who have been elected by universal suffrage through secret ballot is the management body which in actual practice carries out the process

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of self-management. Each enterprise has statutes which guide the Council's functioning. The Council acts on these statutes which are drafted by the Council itself. There are also auxiliary bodies such as commissions and committees which are appointed by the Council to deal with detailed matters but within limits specified by the Council.

The Board of Management is the Executive body of the enterprise in accordance with the general rules and regulations laid down in the decisions of the Council. A member of the Board can be appointed from the Council or from the Workers' Collective.

The Director, as stated earlier is appointed by the Council, and his appointment conditions and terms of service are specified in the statutes of the enterprise. He runs the business of the enterprise, executes the decisions of the Council and Board of Management and represents the undertaking. He does not exercise voting rights, because it is only the Workers' Collective which carries the sovereign character of the concept of self-management. The work unit, as opposed to an enterprise, has a Work Collective, work unit Board, and Work Unit Council.

The second machinery for workers' participation is the trade union. But a trade union in a Yugoslav undertaking is functionally different from a union in capitalist countries. This has arisen mainly because in the past, trade unions in communist countries have tended to become political party instruments through which workers' discipline on the work place could be enforced. Since Yugoslavia broke away from Russia, the unions have increasingly become less important organs in the country's industrial relations system. Kolaja says,

"Since the workers or producers have become also the managers of the businesses, strikes are considered out of place. Thus the labour union is also described as having an educational role ...... it supports the management and ...... it is the workers' welfare organisation". 29

Kolaja did research in two firms in Yugoslavia and found the labour union in one of them, performing the functions such as organising ceremonial occasions in memory of the foundation of the Yugoslav Communist Party, Workers' Council elections, the New Year's Party for employees'children, group visits to theatres, group training and lectures; and also discussions of new wage norms. Although unions supplement the machinery of self-management, the latter has taken an overwhelmingly dominant position while unions uneasily enjoy a low profile.

In the United Kingdom, collective bargaining and joint-consultation are the two major institutions through which workers participate in management decision making. Collective bargaining as examined earlier implies that the responsibility for decisions reached as a result of negotiation is shared between the workers' representatives and management. Terms and conditions of employment are thus fixed. Employees' interests are given due consideration and balanced with the needs of the undertaking. This study does not go beyond participation of workers in undertakings, but it is appropriate to note that the trend now is to decentralise the trade unions and bring collective bargaining to the workplace (shop floor).

The early British unions were craft unions. Employers tended to encourage area, regional and industrial or national negotiations. Agreements reached in such cases were far removed from a single undertaking. This was aimed at frustrating the power of the union

at the workplace. So within undertakings, there were inadequate provisions for processing grievances or even the recognition of shop stewards who are the lowest officials in a trade union hierarchy. But the unions are strong at a regional or national level, but weak on the shop floor.

The necessities of the two World Wars enhanced the powers of shop stewards till they gained official recognition. During the inter-war years, collective bargaining which had become dominant took place at the national level as this was a period of depression and the primary objective of unions was to fight to maintain reasonable minimum conditions. But as conditions in the economy improved, such as full employment, work place bargaining was no longer opposed by unionists. In fact it was realised, as Clarke says, that work place bargaining could supplement national bargaining to put double pressure on employers.

Joint Consultation is not as dominant as collective bargaining. The responsibility for decisions reached after consultation is not shared. While workers' advice is sought by employers, they do not necessarily have to take it. In addition to the two methods of workers' participation, there are committees in undertakings such as safety, canteen, sports and other welfare areas where there is a mutuality of interest. In conclusion, forms of participation in any country must be considered within the context of the political and economic set up.

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A RESEARCH PROJECT IN A KENYA COMPANY

4.1 Introduction

An investigation was carried out in Car and General (Kenya) Ltd. - a company based in Nairobi. The research project lasted four weeks. This project was designed to provide evidence concerning the nature of workers' participation in management in the company as well as attitudes towards workers' participation among workers and management.

It is appropriate here to attempt a definition of what management is since this term may cause difficulties and confusion. Management is usually defined as getting work done through others. Brech defines management as the process of "planning, motivating and regulating the activities of persons towards the effective and economical accomplishment of a given common task". And the body of people who carry out this process are usually called managers. But for unknown reasons, most writers usually refer to them as 'management'. We shall use this word in this sense when referring to members of management.

Background information about the industrial relations backdrop in Kenya, history, structure and major activities of the company will be presented. These will offer a picture through which one can understand better the results and the discussions. The examination of the nature of workers' participation and the attitudes of workers and management will help in testing the hypotheses which were formulated.

4.2 Industrial Relations Backdrop in Kenya

It is appropriate to briefly look at the industrial relations system in Kenya of which the company in which the investigation was carried out is a part. Since the dominant form of workers' participation in management in the United Kingdom is collective bargaining, and most of labour legislations in former British colonies and territories are modelled on the British laws, Kenya is no exception. But unlike British Unions, Kenya unions since 1955 have been structured on an industrial basis rather than on craft or general unions.

Many writers argue that a strong union movement will retard the growth of developing countries and therefore severe limitations and controls should be imposed on such countries' industrial relations systems. Tom Mboya said in reference to Less Developing Countries:

"one has to recognise that these countries are in a hurry to translate independence into something meaningful in the economic sense .... If the trade unions appear to become an unnecessary obstacle, in the way of new governments in this stage of development they will stand accused either of being foreign agents, or of being just negative. There is the temptation for the new Government to introduce laws to ensure its programmes are not obstructed by either trade unions or any other body".

Indeed, later on he confirmed this observation and its implementation in Kenya as Minister of Labour, when he stated that the Kenya Government was not prepared to allow any obstruction in the economic development either from trade unions or any other body.

3. Ibid., p. 191.
5. Tom Mboya, op. cit., p. 192.
The Trade Disputes Act, 1965, therefore imposes limitations on strikes. These limitations were further tightened when the same Act was amended in 1971 by giving wider powers to the Minister of Labour and the Industrial Court in controlling the bargaining process.

In general, Kenya's history of industrial relations and the "system of settling labour disputes has thus worked with relative efficiency, but there is still room for improvement. Unofficial or wild-cat strikes occur sporadically in various industries and a number of disputes stem from misunderstanding or lack of knowledge in the undertaking".  

The desire for cooperation between employers and workers, and peaceful industrial relations have been a national objective since independence. On October 15th, 1962, Kenya's Industrial Relations Charter was signed in Nairobi between the Government of Kenya, the Federation of Kenya Employers and the Kenya Federation of Labour. 

The main objective of the Charter is stated in the preamble:

"Realising that it is in the national interest for the Government, Management and Workers to recognise that consultation and cooperation on a basis of mutual understanding render an essential contribution to the efficiency and productivity of an undertaking and that progress can only be made on a foundation of good terms and conditions of employment which include security of service and income, .........."  

9. The name of the central union organisation was changed to Central Organisation of Trade Unions.
Cooperation between the 'actors' was emphasized in the interest of good industrial relations in the country and this laid the foundation for workers' participation.

The workers in the motor trade and allied industries belong to a single national industrial union called "The Amalgamated Union of Kenya Metal Workers". There is also the industrial employers' Association called "Motor Trade and Allied Employers' Association." A collective agreement was signed between the union and Employers on October 16th, 1963. In the agreement, the following objectives are clearly stipulated:

(i) to provide machinery for the speedy settlement of industrial disputes.
(ii) to provide a channel of communications between the member companies and the employees.
(iii) to provide collective bargaining machinery for negotiation on an industrial basis for those terms and conditions specified in the agreement.

The negotiating machinery is composed of a Local Negotiating Committee which handles labour-management affairs in every member company. In particular, it deals with claims or grievances affecting only employees of a member company at the particular site or locality. It is only when this committee fails to reach agreement on any grievance or claim that the matter is forwarded to the District Negotiating Committee.

According to the Agreement, only three representatives from each group of workers and management can form this committee (Local Negotiating Committee) at "its principle place of business and in all branches of the company wherever applicable". The fact that only three representatives of workers are allowed to negotiate

11. The original name of the union was, "The Kenya Motor Engineering and Allied Workers' Union."
at a company or branch level irrespective of the size of the plant manifests serious limitations of this form of workers' participation.

The agreement however provides for joint consultative machinery (Works Council) to be set up in each member company where management and Workers can be represented. The function of the Council is only to consult on matters which are in "normal practice not regarded as subjects for negotiation between the Employers' Association and the Union".

4.3 The Company

Car and General (Kenya) Ltd. was originally formed in 1936 in the name of Car and General Equipment Limited in Nakuru, Kenya by J. J. Hughes and G. L. Bellhouse. Bellhouse is the company's current chairman. The original company was started with a very small capital of Kenya £270. In 1937 the company was enlarged and moved to Nairobi under the management of Christopher O'Toole the father of the current Managing Director of the Company. O'Toole continued to manage the company until 1957 when he retired and went back to his country Ireland. Then his son took over his father's post.

The company was formed to import and distribute motor and general equipment. During the second World War the company entered the tyre retreading field in 1942. This quickly grew to be one of the main activities of the business. By 1950, the company had expanded considerably but needed additional funds to finance this expansion. So the company went public. Today, there are over 1000 shareholders owning shares valued at more than Kenya shillings 200 million, of which 95 per cent are owned by residents.

Eventually, the name of the company was changed to 'Car and General (Kenya) Ltd.' and at the same time branch offices in Uganda and Tanzania were established under the names Car and General (Uganda) Ltd. and Car and General (Tanzania) Ltd.
The Uganda subsidiary which apparently had been the most successful, was taken over in 1973 by the Military Government of Uganda. The Tanzania subsidiary continues to operate in Dar es Salaam and Tanga. Dar es Salaam deals with tyre retreading, break lining and finishing, while Tanga deals with tyre retreading.

In 1948, the Mombasa Branch was opened and it has continued to grow with the rest of the company. This branch has a sales office and also handles the clearing and forwarding activities of the company through the port of Mombasa. As at April 1976, the company had 641 employees, 14 of them women.

The organisational chart shows the structure of the company and how it is departmentalised. The departments and further subdivisions depict different formal and functional relationships in the company. There are five departments in the company plus the Mombasa Branch - all of which fall under the authority of the Managing Director of the company. The work of the company has been typically divided and grouped into these departments so that the objectives of the company can be appropriately attained. Each department is further subdivided into divisions and sections.

The tyre and rubber department principally retreads tyres and manufactures a variety of moulded rubber products such as boots, shoe heels and soles. The department of general goods sells and services the following items:

(i) spares and accessories for motor vehicles
(ii) garage equipment
(iii) lawn mowers
(iv) motor-cycles and motor-scooters
(v) chain saws

The Domestic Appliances Department (D.A.D) sells and services kitchen equipment, refrigerators, cookers, washing machines, bottle coolers and so forth. The Accounts Department handles all the company's financial matters. Lastly, the Personnel Department is responsible for giving advice on matters relating to staff such as recruitment, termination, training, industrial relations, communications, welfare administration and many others.

4.4 Study Design

4.4.1 The Management Questionnaire

A self-administered questionnaire was completed by 31 people out of 40 who are designated as management. These included the Managing Director, departmental heads, divisional heads and sectional heads. The target population for answering the questionnaire was 40 people, but nine of them did not return the questionnaire.

For each questionnaire, a hard envelope was provided so that after filling the questionnaire, a respondent would put it in the envelope, seal and send it to the Office of the secretary of the Personnel Manager which was the collection point. Additional interviews between the researcher and a few members of management were carried out to get further information about the company relating to workers' participation.

Introductory information for respondents which was deemed necessary was presented at the beginning of the questionnaire. The purpose of the investigation was stated so as to reduce suspicions which were undoubtedly going to arise. The Faculty of Commerce, University of Nairobi, was identified as the sponsor of the research. It was also felt important to mention that every member of management had been asked to fill the questionnaire.

The anonymous and confidential nature of the research was stressed for obvious reasons. Each respondent was asked not to put down his name. The sealing of the questionnaire when filled further ensured that the answers were going to be sighted only by the investigator.

The questionnaire was composed of two parts: Section A consisted of five questions which requested personal data such as sex, age, rank, marital status and the highest level of formal education attained. Section B consisted of 16 questions which were aimed at eliciting the respondents' opinions on different aspects of workers' participation in management. Some of these questions were concerned not only with what was already happening in the company, but also discovering their opinions on certain phenomena if they were introduced. The respondents were asked to tick any answers which were most suitable to them. Some questions had open-ended answers so that respondents could give additional answers which they thought appropriate.

4.4.2 The Workers' Questionnaire

This questionnaire was administered on 50 workers who were selected using stratified sampling, from a total workforce of 481 in the Nairobi based company. These included foremen, clerks, telephone operators, factory workers and others. For financial reasons, the Mombasa branch was eliminated from the investigation. It was not also possible to interview six factory workers on the night and early morning shifts which end at eleven o'clock at night and seven o'clock in the morning respectively. It was decided to substitute these six factory workers

15. See Appendix D "Workers' Questionnaire", page 123.
with the day shift workers. This was not going to affect the results in any significant way because the workers on the day shift would have in any case worked on the other two shifts. The company has a system whereby workers are rotated monthly such that all workers have a chance of working on all the shifts.

The workers were assured that the results of the interviews were to be treated in confidence and no names would be recorded. For every section, all the workers to be interviewed were assembled in a small office provided for the purpose and addressed by the researcher.

The researcher gathered that never before in the company had anyone carried out an investigation for academic purposes. Although most workers appeared curious, they did not show any reluctance to be interviewed. Only one worker (clerk) completely refused to be interviewed. Presumably he feared that I would report the findings to his superiors. Again the respondents were informed that the sponsor of the research project was the University of Nairobi.

4.4.3 Further Limitations

This study cannot rule out the possibility that some respondents may not have fully understood some of the questions or the issues involved. It is most likely that a question which asks a worker to state his opinion about an aspect of labour-management relations which doesn't either exist or directly relate to his own work situation, personal experience or life situation, may not provide a meaningful response.

Secondly, some of the questions which were not exhaustive and sometimes not mutually exclusive may not have elicited answers which were closest to the respondent's opinions.
Thirdly, although the anonymity and confidentiality of the respondents' responses were assured and stressed both for workers and management, some respondents' beliefs regarding the purpose of the investigation could have influenced the quality and truthfulness of their responses, particularly when this was the first time that an investigation of this kind was carried out. It was surprising that even some members of management seemed to wonder why a person should want to interview workers.

Fourth, the investigator did not have a working knowledge of Swahili. The services of an interpreter were hired because we anticipated that some respondents would have difficulty with English. In fact, in only five instances, did we use an interpreter. But while few workers admitted that they knew little or no English they appeared embarrassed and shy that they had to say so. It is possible that there may have been some respondents who did not know enough English but were reluctant to admit it.

4.5 Characteristics of Respondents

4.5.1 Workers

Of the 50 workers who were subjects for this study, 46 were male and the rest female. Table 1 shows the age distribution.

Table 1 Age Distribution

<table>
<thead>
<tr>
<th>Age Bracket (Years)</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 17</td>
<td>-</td>
</tr>
<tr>
<td>17 - 26</td>
<td>11</td>
</tr>
<tr>
<td>27 - 36</td>
<td>32</td>
</tr>
<tr>
<td>37 - 46</td>
<td>4</td>
</tr>
<tr>
<td>Over 46</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976
It can be said that over 60 per cent of the respondents were falling within the 27 to 36 years bracket. The next largest number were the youngest lot having between 17 to 26 years of age. Table 2 presents the length of service distribution.

Table 2 Length of Service Distribution

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>1</td>
</tr>
<tr>
<td>One year or more but less than 4 years</td>
<td>23</td>
</tr>
<tr>
<td>4 years or more but less than 8 years</td>
<td>16</td>
</tr>
<tr>
<td>8 years or more but less than 12 years</td>
<td>8</td>
</tr>
<tr>
<td>12 years or more</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976

The majority of respondents (46 per cent) had worked for one year or more but less than four years. The second largest number had worked for four years or more but less than eight years. Only one person had worked for less than one year.

Table 3 Educational Status

<table>
<thead>
<tr>
<th>Highest Standard Attained</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>5</td>
</tr>
<tr>
<td>Primary Four</td>
<td>6</td>
</tr>
<tr>
<td>Primary Seven or Eight</td>
<td>18</td>
</tr>
<tr>
<td>Form (Secondary) Four</td>
<td>20</td>
</tr>
<tr>
<td>Form (Secondary) Six</td>
<td>1</td>
</tr>
<tr>
<td>University</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976
As Table 3 shows, no worker had ever been to university. And there was only one who had gone up to Higher School Certificate. For a long time, education has been the main key to a good job in Kenya. It is not surprising therefore to find that the majority of workers have only the Ordinary Level School Certificate and lower certificates. Five people admitted not to have had formal education. But four of them stated that they knew how to write. This is not surprising because most Less Developed Countries have been waging war on illiteracy through the establishment of literacy centres. Of the people interviewed, 45 of them were married while the rest were single. Most Africans get married at a fairly young age because in some communities, marriage is regarded as a sign of manhood. All respondents were Africans.

4.5.2 Management

There were no female members of management. Historically, women have lagged behind men in the field of education because of cultural prejudices against the female sex. For instance, it would be difficult for a woman to be a supervisor in a rubber factory where virtually all the workers are men.

Table 4 shows the age distribution of members of management. Most managers in the company (approximately 74 per cent) were born between 1940 and 1949.

<table>
<thead>
<tr>
<th>Age Bracket (Years)</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 17</td>
<td>-</td>
</tr>
<tr>
<td>17 - 26</td>
<td>2</td>
</tr>
<tr>
<td>27 - 36</td>
<td>23</td>
</tr>
<tr>
<td>37 - 46</td>
<td>3</td>
</tr>
<tr>
<td>47 or more</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>31</strong></td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976
Six were born before this period while only two are younger than the rest (i.e. born between 1950 and 1959).

Expectedly, the educational standards were much higher than those of workers. Table 5 presents the educational status of members of management. Most of them (22 out of 29) had had secondary education or higher. The respondents who had reached Ordinary Level of education and had risen to managerial positions, had taken some professional courses in areas such as engineering and accountancy. The Company has about four university graduates who have automatically become members of management. This is so because graduates can generally get easy access to managerial posts.

Table 5 Educational Status

<table>
<thead>
<tr>
<th>Standard</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below Primary Seven or Eight</td>
<td>-</td>
</tr>
<tr>
<td>Primary Seven or Eight</td>
<td>7</td>
</tr>
<tr>
<td>Form (Secondary) Four</td>
<td>16</td>
</tr>
<tr>
<td>Form (Secondary) Six</td>
<td>2</td>
</tr>
<tr>
<td>University</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976
Note: Two people did not respond to this question.
4.6 Findings

4.6.1 Nature of Workers Participation in the Company

One of the objectives of the study was to examine the operation of the concept of workers' participation in a Kenya company. Through the use of the questionnaire, informal interviews and searching through some company files, the author was able to investigate the nature of workers' participation in the day to day happenings of the company. Had there not been reluctance on the part of management to allow the researcher to get access to some relevant and important files, this study would have been far more revealing.

The frustrating aspect of research in Kenya enterprises is that there is always management's near obsession with 'confidential' information, although some information need not be classified so. And this attitude gives the impression that management has a lot of information to hide and worsens the not-too-good public image of most companies particularly the multi-national corporations.

Car and General (K) Ltd., by nature of its work, falls in the category of motor industry. So most of the workers who are unionisable in the company belong to the Amalgamated Union of Kenya Metal Workers while the employers are registered with the Motor Trade and Allied Employers' Association.

There is a Local Negotiating Committee in Car and General (K) Ltd. which handles the labour-management affairs in the company. When this committee fails to reach agreement on matters of collective agreements, then the matter is referred to higher authorities. The company has eight shop stewards who normally act as workers' representatives on the working floors and in this committee.
As of today, Car and General has no Works Council which is encouraged by the agreement referred to above. But it used to have one which was abolished. The Personnel Manager stated that arrangements would be underway for it to be introduced as soon as possible.

Data on the once functioning Works Council, but now defunct, could not be released. From informal interviews with various members of management, certain typical reasons for its failure were gathered. One typical reason was:

"Workers could not differentiate between areas of collective bargaining and those of the Works Council".

One highly placed company executive stated:

"Workers used the Council for voicing their grievances such as inadequate wages, lack of transport facilities by the company to their homes, leave terms and so forth, which of course were not supposed to be discussed by the Works Council".

Other reasons stated were mainly that workers were unco-operative as well as lacking interest in the operation of the Works Council. For instance one member of management stated:

"It was amazing how uncooperative workers were. I think workers were deliberately stubborn despite the fact that they knew that the aims of these discussions were designed to cater for their interests as well".

There are important deductions which can be made from these statements, given the workers' background. Most workers in Kenya have a poor educational background and there is definitely a wide gap between most managers and their labourers.
One such deduction is that while collective bargaining appears to be the only method for workers' participation in the company, it is itself inadequate, because when a Works Council was introduced, workers' representatives did not hesitate to use this additional machinery to express their grievances or claims. Second, workers may have thought that this was another way of solving all sorts of problems facing the company, since the issues falling under collective bargaining may not have been clearly explained and separated from others. While these factors may have aggravated or perpetuated the contentious nature of the worker-management relationships which might have been in existence, the overriding reason seems to be that either there were not enough channels or none at all, for solving out-of-place grievances or claims, or the method of collective bargaining was dealing with a narrow range of subjects – thus leaving certain matters unanswered.

Certainly, it would seem useless to ask workers to cooperate with management and seek ways and means of increasing productivity without first giving satisfactory consideration to wages and other related issues. A third factor could be that the relevance of issues which were to be discussed in the Works Council, to the workers' economic and social welfare was not fully explained.

Apart from collective bargaining and the now defunct Works Council, there is currently one Standing Committee – the Canteen Committee. Although there are as many workers as there are management on the committee, this committee is always chaired by a member of management, and usually he is a senior company executive. In an interview with him, he stated that the Committee "was not doing well". There are also ad hoc committees which are set up as and when need arises.
It was found out that there were no arrangements for workers representatives in the Union or committees to get some coaching or training to prepare them for participative roles. Training can help a worker to be more receptive to other people's points of view, to develop tools and capacity to analyse a problem and to acquire certain skills in analysing his own behaviour as well as the behaviour of others. In this way can he be able to be an effective participant.

Finally, it is necessary to make a special mention of the communication system in the company. No where could a notice board for such things as publications, bulletins and circulars be sighted. It was also surprising that the company at this stage has no handbook. Asked about how information is disseminated to workers, the management stated that it is through internal memoranda and word of mouth which are used. This could mean that workers are not getting adequate information which could help workers to participate effectively either personally or acting through their representatives. The company does not operate a suggestion scheme which sometimes can be a useful means of getting workers involved in the occurrences of the company.

Therefore, in the absence of a works council and suggestion scheme, it appears that a worker in Car and General is left with the union (collective bargaining), the standing committee and 'ad hoc' committees as well as himself participating as an individual. Car and General does not operate a suggestion scheme, but some other companies such as Firestone (East Africa) Ltd. operates such a scheme. Firestone is also a member of the Motor Trade and Allied Employers' Association.

In the light of the available evidence, the second major hypothesis cannot be upheld. It stated, "only collective bargaining functions as workers' participation in Kenya".
As we have seen, the Kenya Industrial Relations Charter calls on employers to institute other means of cooperative efforts such as joint consultation. And most companies have done this not only to encourage harmonious labour-management relations, but also to increase production.

4.6.2 Management Attitudes

The aim of the management's questionnaire was not only designed for fact finding purposes, but also to assess the attitudes of management towards different aspects of labour-management relations that relate to or have a close connection with the concept of workers' participation in management. The main questions which were to be investigated were:

(i) whether or not management was aware of the concept of workers' participation in management.
(ii) whether or not management would be in support of workers' involvement in the company's decision making processes.
(iii) whether or not in practice there is any form of participation apart from collective bargaining.
(iv) If, indeed, there is participation through such methods as collective bargaining or committees, does management think they are helpful, interesting and worthwhile?
(v) Do workers make reasonable contributions during their participation?
(vi) What are attitudes of management towards workers having access to information?
(vii) Who makes most of the decisions and at what level?
      In welfare activities, who is in control—management, workers or both? In the opinions of management what should be the nature of participation by workers in such activities?
Corollary hypothesis (ii) which stated: "with historical hierarchical structures, members of management in a typical Kenya company do not favour the idea of workers sharing in the decision making process of the company", should be tested using the findings in respect of the responses given to the above questions by management.

The respondents were asked what they understood by the words, "Workers' participation in management". Table 6 presents their responses.

Table 6 Responses to the Meaning of Workers' Participation

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers' representatives participate in management decisions</td>
<td>37</td>
</tr>
<tr>
<td>Workers representatives sit as real members of management but continue to do their regular work</td>
<td>22</td>
</tr>
<tr>
<td>Instead of management, the entire workforce makes all decisions affecting the company</td>
<td>37</td>
</tr>
<tr>
<td>I have never heard of the words 'workers participation'</td>
<td>41</td>
</tr>
</tbody>
</table>

N= 27
Source: Investigation carried out by the author in May, 1976
Note: Four people did not respond to this question.

Fourty one percent of respondents had never heard of the words 'workers' participation in management'. None, however, thought that the role of management would be taken over by the entire workforce. A considerable number (37 per cent) thought that the words mean that the representatives of workers do participate in making management decisions. No attempts were made to give any other additional meanings.
Table 7 gives answers to the question of whether participation of workers would be a good thing or a bad thing.

**Table 7 Responses to whether or not Participation Would be a Good Thing**

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>It would be a good thing</strong></td>
</tr>
<tr>
<td><strong>It would be a bad thing</strong></td>
</tr>
<tr>
<td><strong>Don't know</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

N = 30

Source: Investigation carried out by the author in May 1976

Note: One person did not respond to the question.

More than 60 per cent were in support of the idea of workers sharing in the decision making processes of the company. It was not surprising that there were some members of management (23 per cent) who thought that workers' participation would be a bad thing. This reflects the traditional beliefs that the workers' role should not stretch beyond their job descriptions for which they were hired. Only 14 per cent were non-committal.

In order to ascertain whether or not there are meetings which have ever been held between management and workers, a question was asked, "Have you ever attended a company's committee meeting or any other meetings where there are both members of management and workers?"
Table 8 presents the results.

Table 8  Responses to whether or not respondents had Joint Meetings of Workers and Management

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>55</td>
</tr>
<tr>
<td>No</td>
<td>45</td>
</tr>
</tbody>
</table>

N = 31
Source: Investigation carried out by the author in May 1976

Over/half (55 per cent) respondents claimed that they had participated in meetings between workers and management. Presumably this shows that there are some facilities for workers and management to interact. Of the people who stated they had attended such meetings, seventy six per cent stated that it was a member of management who usually chaired the meeting. The rest stated that there had been meetings where chairmen alternated between representatives of workers and management.

Table 9 presents the attitudes of management as to whether such meetings were interesting or not.

Table 9  Attitudes Towards Joint Meetings

<table>
<thead>
<tr>
<th>Attitudes</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interesting all the time</td>
<td>35</td>
</tr>
<tr>
<td>Interesting most of the time but with dull periods</td>
<td>29</td>
</tr>
<tr>
<td>Interesting and dull equally</td>
<td>29</td>
</tr>
<tr>
<td>Dull most of the time</td>
<td>7</td>
</tr>
<tr>
<td>Don't know</td>
<td>2</td>
</tr>
</tbody>
</table>

N = 17  Source: Research carried out by the author in May 1976.
There were more respondents who thought that the meetings were interesting, but a larger percentage (58) detected a dull element in such meetings. Further questioned to give reasons for their answers, those who thought that meetings were interesting gave reasons such as:

"Each time there is such a meeting, we get new ideas from workers' representatives, and this helps us to learn about things we don't know."

One respondent admitted:

"We get good suggestions from workers, and this enables us to improve our standards."

Those who thought that the meetings were dull, gave typical reasons such as:

"Workers in most cases fail to understand our views. Workers stubbornly refuse to see the points and arguments put forward by management, and this leads to misunderstandings and bad tempers. Sometimes hot arguments erupt."

One of them stated that workers tend to introduce trivial items in the meetings and this wastes a lot of time.

An additional question was asked whether they thought that the workers' representatives put forward reasonable ideas. Table 10 presents their responses.

Table 10 Responses to the Quality of Workers' Ideas

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very reasonable ideas</td>
<td>29</td>
</tr>
<tr>
<td>Fairly reasonable ideas</td>
<td>71</td>
</tr>
<tr>
<td>Poor ideas</td>
<td>-</td>
</tr>
<tr>
<td>Very poor ideas</td>
<td>-</td>
</tr>
<tr>
<td>Don't know</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

N = 17  Source: Investigation carried out by the author in May 1976.
No respondent thought the ideas of workers' representatives were either poor or very poor. On the contrary the majority (71 per cent) thought that workers presented fairly reasonable ideas.

While management may formulate objectives and carry out certain tasks to accomplish them, it is essential to communicate and evaluate them continuously to make sure that they are understood. Workers are humans and will react positively or negatively to management policies. The question of communication has to be a two-way process. As much as management wants to pass on information downwards, this information must be adequate so that workers can consider it and respond to it. If management wants to get feedback, this point becomes even more important. So a question was asked as to the amount of information they would like workers to have access to. The results are stated in Table 11.

Table 11 Response to the Amount of Information to be Given to Workers

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All information</td>
</tr>
<tr>
<td>Much Information but not all</td>
</tr>
<tr>
<td>Some information</td>
</tr>
<tr>
<td>Little information</td>
</tr>
<tr>
<td>None</td>
</tr>
</tbody>
</table>

100

N = 28
Source: Investigation carried out by the author in May 1976
Note: Three respondents did not answer this question.
The majority (78 per cent) opted for some information to be passed on to the workers. This means that they still have some reservations on the question of workers sharing the information pertaining to the organisation. As stated earlier, there are no house magazines or notice boards. Workers, most likely, do not get access to information such as the Balance Sheets, Income Statements and others.

A question was asked regarding the level at which most decisions are made in the company. It would appear that most of the decisions are made at the top level in the company as Table 12 shows. Only 11 per cent indicated that decision making percolates to the workers. In fact, in the informal interviews between the author and some members of management, it was ascertained that not only does top management deal with policy matters, but with all the operational matters.

It is thought that if workers talk freely to management in their daily activities, then this is likely to reflect how workers may participate in the formal institutions. A question was asked:

<table>
<thead>
<tr>
<th>Table 12 Levels at Which Decisions are Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
</tr>
<tr>
<td>Top Management</td>
</tr>
<tr>
<td>Upper and Middle Management</td>
</tr>
<tr>
<td>To a limited extent throughout</td>
</tr>
<tr>
<td>To a large extent throughout</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

N = 27
Source: Research carried out by the author in May 1976
Note: Four people left this question unanswered.
"In general, how free do workers feel to talk to you about their duties or if you found them drinking coffee in the canteen"? The responses are presented in table 13. More than a half (58 per cent) were of the opinion that workers feel fully free to talk to management. Sixteen per cent thought that workers don’t feel free to talk to management.

Table 13 Responses as to the Freedom of Workers to Talk to Management

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully free</td>
<td>58</td>
</tr>
<tr>
<td>Rather free</td>
<td>26</td>
</tr>
<tr>
<td>Not very free</td>
<td>16</td>
</tr>
<tr>
<td>Not at all free</td>
<td>-</td>
</tr>
<tr>
<td>Don't know</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

N = 31
Source: Investigation carried out by the author in May 1976

As we have seen earlier, another form of participation could be through social and welfare activities in the company. If they are solely controlled by management, workers' participation is likely to be minimal. If however workers have some control, this could mean some amount of involvement. Respondents were asked to state as to who controls these welfare activities, and the results are presented in Table 14.
Table 14  Control of Welfare Activities

<table>
<thead>
<tr>
<th>Control of Welfare Activities</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlled by Management</td>
<td>6</td>
</tr>
<tr>
<td>Controlled by workers</td>
<td>10</td>
</tr>
<tr>
<td>Jointly controlled by management and workers</td>
<td>84</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

N = 31
Source: Investigation carried out by the author in May 1976.

Those who thought that these activities are jointly controlled were 84 per cent. There were, however, more respondents who thought that workers control such activities than those who thought it was management. It would seem that there is some worker involvement and participation in welfare activities.

But it was felt important to ascertain the opinion of management as to whether it is desirable that workers should have involvement in such activities. Nearly all (94 per cent) answered in the affirmative. They were further asked whether the workers' voice in such activities should be decisive or merely advisory. Table 15 presents their responses.

Table 15 Whether Workers' Role Should be Decisive or Advisory in Welfare Activities

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decisive</td>
<td>34</td>
</tr>
<tr>
<td>Advisory</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

N = 31
Source: Investigation carried out by the author in May 1976.
There were more respondents (66 per cent) who were of the view that the workers' role in such activities should be advisory. Thirty four per cent stated that the workers' participation should be decisive.

Normally, if there are changes in power relationships in any situation, these changes are bound to be interpreted in terms of how they are going to affect the participants. A question was asked, "If workers were to share management decisions with management, what do you think would be the effect on you personally?". Table 16 presents the results in relation to the respondents' educational status.

Table 16 Relationship Between Level of Education Attained and the Potential Effect of Workers' Participation on Individuals

<table>
<thead>
<tr>
<th>LEVEL OF EDUCATION</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>University</td>
<td>Secondary</td>
</tr>
<tr>
<td>My position would not change</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>My salary would be lowered</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>The profits of the company would decline</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>It would be difficult to issue orders</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>There would be fewer managers</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>My authority and power would decline</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4</td>
<td>17</td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976.
Slightly less than half of the respondents stated that their position would not change at all, and 32 per cent thought that it would be difficult to issue orders. The latter reflect the attitudes of some managers who equate management with issuing orders. It is interesting to note that all graduate managers thought that their positions would not at all change. This shows the confidence in a Kenya situation of a graduate because university education is a recent phenomenon and he still sees himself as too distant to be affected by workers' involvement in managerial decision making. Six managers who had attained secondary education envisaged the erosion of their authority to issue orders. It would appear that the higher one is educated, the more liberal he is likely to be since workers' participation is not likely to be regarded as a threat to his position. In addition authoritarian sentiments can be detected in the less educated managers.

Respondents were asked to predict how workers would react to a participative situation. Table 17 presents their responses.

Table 17 Opinions Regarding Attitudes of Workers Towards Participation

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers could refuse to take part</td>
</tr>
<tr>
<td>Workers could be indifferent</td>
</tr>
<tr>
<td>Workers could be in favour</td>
</tr>
<tr>
<td>Don't know</td>
</tr>
<tr>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

N = 28

Source: Investigation carried out by the author in May 1976

Note: Three respondents did not respond to this question.
Fifty four per cent of the respondents were of the opinion that workers would welcome the idea of participation. There was, however, 21 per cent who thought workers would display indifference. Fourteen per cent were convinced that workers could refuse to take part!

Trade unions have been in existence for some time in Kenya. As stated earlier, collective bargaining is one way of workers influencing managerial decisions. A question was asked to ascertain the attitudes of management towards the role of trade unions in undertakings. If management has negative attitudes towards this institution, any other form of workers' involvement is even more likely not to be supported. So a question was asked as to whether they thought that, in general, unions promote the good running of businesses or otherwise. Table 18 presents the results.

Table 18 Attitudes About Unions in General

<table>
<thead>
<tr>
<th>Perception</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unions are helpful</td>
<td>26</td>
</tr>
<tr>
<td>Unions are both good and bad</td>
<td>61</td>
</tr>
<tr>
<td>Unions only cause problems</td>
<td>10</td>
</tr>
<tr>
<td>Don't know</td>
<td>3</td>
</tr>
</tbody>
</table>

\[ N = 31 \]

Source: Investigation carried out by the author in May 1976

Sixty one percent thought unions are good and bad. Only 26 per cent stated that unions are helpful, while 10 per cent thought that unions only cause problems. The last question to be asked was concerning supervision. Management attitudes
towards the necessary amount of supervision is likely to give a hint on how it may react to workers' participation. The results are presented in table 19.

Table 19  Amount of Supervision

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A great deal of supervision</td>
</tr>
<tr>
<td>A fair amount of supervision</td>
</tr>
<tr>
<td>Not very much supervision</td>
</tr>
<tr>
<td>Don't know</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

N = 29

Source: Investigation carried out by the author in May 1976

Note: Two people left this part unanswered.

More managers (66 per cent) stated that there should be a fair amount of supervision, while 21 per cent thought that there should be a great deal of supervision.

Certain conclusions seem to emerge from the above findings. First, the majority of management showed a positive attitude towards participation by workers in management. Second, workers' participation in management is not a completely foreign idea to the company because in some ways workers in the company participate in some meetings. Third, such meetings seem to work fairly well and are interesting, and workers put forward reasonable ideas. Fourth, they seem to welcome the idea of sharing some information with workers. Fifth, workers' participation is not regarded by the majority as a threat to their authority and power. Sixth, most members of management thought that workers would be willing to take part in participative activities, and lastly they showed liberal attitudes in the supervision of their workers.
This evidence would seem to indicate that corollary hypothesis (ii) which stated, "with the historical hierarchical structures, members of management in a typical Kenya company do not favour the idea of workers sharing in the decision making processes of the company" cannot be upheld.

4.6.3 Workers' Attitudes

The findings presented below derive from the interviews held between the workers and the author. As stated earlier, the author aims at examining the nature of workers' participation in management. It was considered important to examine the attitudes towards participation among a sample of workers by looking at some participative variables. The main question whose answers were sought were:

(i) whether or not workers were interested in the work of the company and to assess whether they were doing work which was satisfying.

(ii) To see whether workers thought they could manage more difficult jobs; and whether they had a desire for further training.

(iii) whether or not a suggestion scheme would be entertained.

(iv) whether or not personal participation would be liked by workers.

(v) to examine whether adequacy of wages was the most important consideration among others.

(vi) to ask union members who were not union officials whether or not they would like to be union officials such as shop stewards; and to ask the union officials' motivations behind their desire to become workers' representatives.

The findings should be able to prove or disprove the corollary hypothesis (i) which stated: "Given the high rate of unemployment in Kenya, and the prevailing low educational
standards, workers are not likely to assert themselves further than fighting for the basic terms and conditions of service". Although some of these measures and variables may appear indirect and tangential to the crucial problem of participation, they nevertheless provide insight to the problem.

The respondents were asked to state where their biggest interest lay. Table 20 presents their responses.

Table 20  Response to Where Workers' Biggest Interest Lies

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most interest in work of company</td>
<td>24</td>
</tr>
<tr>
<td>Most interest in home and family</td>
<td>54</td>
</tr>
<tr>
<td>Don't know</td>
<td>22</td>
</tr>
</tbody>
</table>

100

N = 50
Source: Investigation carried out by the author in May 1976.

Twenty two per cent could not make up their minds, but the majority (54 per cent) stated their home and family to be their biggest interest. It is possible that some of these may have chosen their family on emotional grounds rather than through objective analysis of the considerations surrounding the alternatives. Likewise, those who opted for the company may have been influenced by the fact that they are supporting their families financially mainly because of Car and General (K) Ltd. - particularly at the present time when there is a high rate of unemployment. A genuine increasing interest in the company may stimulate the desire to participate in the life of an undertaking.
Asked whether or not the jobs they were doing were satisfying, 60 per cent stated that their jobs were generally satisfying. The rest stated that their jobs were generally not satisfying. A relationship between the level of education and satisfaction (or non-satisfaction) is presented in Table 21. In the secondary education group there was almost an equal split between those who thought that they were satisfied and those who thought otherwise. Fifteen out of 24 of those who attained primary education claimed that they were generally satisfied. All those who had had no formal education stated they were satisfied with their jobs.

Table 21 Relationship Between the Level of Education and Satisfaction on the Job

<table>
<thead>
<tr>
<th>LEVEL OF EDUCATION</th>
<th>Generally satisfying</th>
<th>Generally Not satisfying</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary</td>
<td>10</td>
<td>11</td>
<td>21</td>
<td>42</td>
</tr>
<tr>
<td>Primary</td>
<td>15</td>
<td>9</td>
<td>24</td>
<td>48</td>
</tr>
<tr>
<td>None</td>
<td>5</td>
<td>-</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>20</strong></td>
<td><strong>50</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Investigation carried out by the author in May 1976.

These answers have to be treated with caution. Every Kenyan worker is aware of unemployment miseries, and the meagre chances of getting another job. People with primary education may have resigned to doing this job. So they may not see any
reason why their only job should not be satisfying. Presumably, if they had been asked to state whether they would like their children to do the same kind of job, they could have answered in the negative. Chris Argyris is quoted stating that there are psychological processes which may explain the frequency of affirmative replies to the question of whether or not workers would say that they are doing work which is satisfying. He says that most workers know that they have not much chance of finding better paid jobs differing significantly from those they already have. So the only thing the workers choose is to put up with the jobs they have, since their satisfaction will be a result of a process of adaptation which may have taken several years.

The respondents were asked whether or not on their jobs they can try out new ideas. Table 22 presents their responses. The fact that most workers (72 per cent) claimed

<table>
<thead>
<tr>
<th>Table 22 Responses to the Question on Work Monotony.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The same work all the time</td>
</tr>
<tr>
<td>Can try out new ideas</td>
</tr>
<tr>
<td>Do not know</td>
</tr>
</tbody>
</table>

N = 50
Source: Investigation carried out by the author in May 1976 that their work was not monotonous is partly because among the interviewees were mechanics, clerks, and general workers whose work is not all that repetitive. However, those who stated that their work was "the same all the time" were mostly machine operators whose pace and steps of work are largely determined by the machine.

The respondents were asked, "Do you think you could manage more difficult jobs if for instance you are promoted to the rank of supervisor?". The responses are presented in Table 23. This was an important question because

Table 23 Responses to readiness to Handle More Difficult Jobs.

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Could manage more difficult tasks</td>
</tr>
<tr>
<td>Could not manage</td>
</tr>
<tr>
<td>Don't know</td>
</tr>
</tbody>
</table>

100

N = 50

Source: Investigation carried out by the author in May 1976.

it is a fairly reasonable measure of the desire for increased participation in the occurrences of the undertaking. Thirty six out of 50 respondents thought they could manage more difficult jobs. We cannot rule out the possibility that some of these people had in mind the prospect of increased pay. If we assume this away, the results are surprising because one would have expected workers with low levels of education to be content with a working environment which is not too demanding.

Asked whether they felt they should be sent for further training, 86 per cent answered in the affirmative. The reasons
given for this desire were:

(i) to acquire more knowledge and therefore be able to know their jobs better.
(ii) to get better pay.
(iii) to stand better chances of promotion.
(iv) to be able to find a good job elsewhere in the event that they had to leave this company.

A question was asked, "Can you think of specific things on which management decides, which in fact you think workers should decide on and not management?". Almost all respondents stated they could not think of any example. This can be explained by the fact that there is a general acceptance of the classic management-worker role dichotomy among workers. This could be interpreted as reflecting little desire for involvement in decision making. But it must be appreciated that it is difficult for a simple worker to stretch his imagination beyond this traditional dichotomy, and envisage a re-arrangement of this relationship.

As stated earlier, the company does not operate a suggestion scheme. The workers were however asked if they would like a system whereby they can write to management and make suggestions on how the company should be run better. Sixty four per cent stated that they would welcome such a scheme. Two respondents who had worked in a similar company elsewhere stated they had experienced this scheme at work and expressed surprise that it did not exist in Car and General.

Another related question was aimed at eliciting the opinions of respondents to the idea of their having a private meeting with senior members of management as individuals to discuss matters affecting the company. Fifty six per cent stated that they would prefer such a system. The 44 per cent who answered in the negative presumably imagined such a
situation impossible considering the wide gap between a worker and the senior company executive.

The respondents were given five things to choose one of them which they thought was the most important. Table 24 presents their responses.

Table 24 Opinions Regarding the Most Important Aspect of Work

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enough wages</td>
</tr>
<tr>
<td>Working with friendly people</td>
</tr>
<tr>
<td>Not losing my job</td>
</tr>
<tr>
<td>Taking part in making decisions of the company</td>
</tr>
<tr>
<td>To be respected in the company</td>
</tr>
<tr>
<td>100</td>
</tr>
</tbody>
</table>

N = 50
Source: Investigation conducted by the author in May 1976

Only one respondent regarded taking part in the making of decisions in the company as the most important in the work situation. It was surprising that the majority of workers did not choose adequate wages as the most important. Instead, 'working with friendly people' commanded the majority of respondents (32 per cent). Probably the results would have been more meaningful if a ranking procedure had been employed, rather than choosing one. For an ordinary worker, the concept of a good job does not only focus on adequate wages, but also
on a friendly atmosphere. Similar results were obtained by Bereson and Steiner. 17

Of the 50 respondents, 41 were union members while nine were not. Five of the union members were shop stewards. Those who were not union members were asked to mention any reasons why they had not joined the union. Some of them stated that they would risk their jobs if they joined the union. One worker stated;

"I get very little money from the work I do. I cannot afford union fees. In any case, if management wanted to sack me, I know that the union would not protect me".

An examination of reasons why the shop stewards in the first instance, wanted to become union representatives, revealed that all of them joined primarily to play a role in improving the conditions of their fellow workers. The desire to represent workers can be said to reflect a need to get more involved in the occurrences in the company. The non-official members of the union were asked to state whether or not they had contemplated becoming union officials such as shop stewards. Slightly more than half (55 per cent) stated that they had not contemplated this idea. The rest said that they had thought of becoming union officials. Asked to give reasons for their answer the former stated that they did not want to come into confrontation with management. The latter said that they wanted to air their views and press for better conditions before management.


For many workers, enough wages were not considered most important. More workers opted for working with friendly people. They state that this may be an indication that money wages are not a sufficient incentive for workers' continuous application to their jobs.
According to the findings above, it is difficult to determine whether or not workers want to participate in the decision making processes of the company. But in general, the desire to get more involved and cooperate with management can be detected. First, more workers stated they were satisfied with their work which indicates positive attitudes towards the company. Second, they displayed some independence in their work. Third, more workers expressed the readiness to handle more demanding work, and to go for further training. Fourth, the idea of making suggestions to management was supported by a larger number of workers. And fifth, relatively more workers expressed the desire, as individuals, to interact with senior members of management on company matters.

We can say that more respondents displayed a desire to go beyond their job descriptions and get more involved in the company's affairs. Corollary hypothesis (i) which stated, "Given the high rate of unemployment in Kenya and the prevailing low educational standards, workers are not likely to assert themselves further than fighting for the basic terms and conditions of service", may not therefore be upheld.

4.6.4 Major hypothesis (i)

Can we then say that "workers' participation may not be a workable concept in a developing country"? It was stated earlier that workers' participation is largely determined by management's acceptance of the idea as well as the attitudes of workers towards participation. But there are other important considerations which must be discussed in considering the hypothesis. These important considerations that have a direct bearing on workers' participation were
beyond the scope of this study. First, the external environment in which a company operates will influence the implementation of this concept. In the case of some multinational companies which are prevalent in Less Developed Countries, policy decision making takes place outside the host countries. So such a company may lack the necessary autonomy to operate a participative system.

Second, the nature of legislation in the country may affect the workability of the concept. If legislation is such that it requires large or nationalised companies to operate a participative system, and leaves private or smaller companies, there is a high likelihood of workers participating in management because of face-to-face interaction between workers and management. But for large companies, there may be little effort to delegate to the lowest levels in the organisation.

Third, the nature of technology employed in a company will determine the workability of the concept. If the technology is complex in the company, participants would need to have know-how, technical knowledge and organisational capability. Otherwise top management and the experts may be the only effective participants in the organisation. However in mitigation, Walker says;

"It must be remembered that no matter how complex the technology, workers and unions will be concerned with the results of managerial decisions, and will try to influence them, particularly when management seeks to introduce technological improvements that reduce employment or affect workers conditions". 18

18. Walker K.F., op. cit., p.13,
Fourth, workers' political strength and organisation may play an important part in determining the workability of the concept. Where trade unions, for instance, are a strong force in the political system of a country, it is possible for them to exert a strong action on how the industrial organisation are to be owned, organised and managed. A style of management can be imposed such that they are allowed some participation.

Fifth, the cultural traits may determine the workability of workers' participation in management. African managers are faced with a post-colonial situation and hence are still influenced by the inertia of colonial occupation. It is not unrealistic to state that there is still lack of initiative on the part of most African managers because of their tendency to depend on outsiders. Workers' participation may therefore not be initiated since these managers may not think beyond what they have always done.

In general, it is possible to adduce two non-conflicting views in the case of emergent nations. There is a valid argument that the social, economic and political situations in most of these countries are still such that workers' participation may not be workable. The reasons which can be advanced are:

(i) there are wide divisions between workers and management. The socio-cultural environment is such that there may be no common basis for communication where both participants share ideas as to the duties of management and the economic problems facing the enterprise.

(ii) In most cases there is still a large disparity in the power distribution. Because of this, joint decision making on the basis of common objectives may be unrealistic.
(iii) the likely absence of common social-cultural phenomena, long tradition of accepted code of values in terms of management and productive functions may hamper the effectiveness of a participative system, although it may exist in practice.

(iv) there are no effective channels of communication.

(v) there may be no equal feelings of responsibility on the part of management and workers.

The second view is that workers' participation is a workable concept provided that certain crucial conditions are met. In other words the elimination of the above weaknesses and draw-backs can enable workers to effectively participate in the decision making processes of the undertakings. This would mean that the following actions would have to be taken:

(i) increased government intervention in the life of undertakings such as enacting legislation aimed at introducing and institutionalising workers' participation in management.

(ii) strong measures taken to reduce the ever increasing unemployment.

(iii) increasing the power of trade unions, and at the same time making positive efforts to raise the national incomes.

(iv) raising the standards of education in those countries.

Given that these conditions are fulfilled, that truly the attitudes of management are positive towards joint participation and that workers' potential to participate is harnessed and developed, we can say that workers' participation is a workable concept in developing countries.
For more than half a century, the idea of workers' participation has been controversial in the labour-management relations, and has been riddled with problems of interpretation and implementation. Basically, the question of workers' participation has focused on the question of management of enterprises, and in particular whether workers should encroach on the traditional managerial prerogatives of decision making. Today, there is general agreement that the operation of this concept entails three aspects. First, it is through collective bargaining that workers can influence and participate in managerial decision making. Second, it is where workers interact with management on matters of mutual interest. Third, the workers are allowed to entirely participate directly in managerial functions. All of them imply that workers make decisions over and above their job descriptions.

Despite the universality of participation, there are basic disagreements on the aims, and motivations of participative practices, which revolve on ideological bases. The nature of participation depends on the political, economic and socio-cultural background in each country. Immediately after the Industrial Revolution, Marxist ideas led to the emergence of revolutionary movements in Western Europe and the U.S.A. The main aim of these movements was to have industrial democracy and workers control in industrial undertakings.
In addition, the pattern and development of management thought from 'Taylorism' through Human Relations to Systems Approach clearly show a trend favouring the idea of workers' participation. The main aim behind these schools of thought has been to increase productivity through the motivation of workers in rapidly changing environments.

The interest by underdeveloped countries in workers' participation is already manifested in legislations of various countries such as Algeria, Tanzania and India, which want to see a greater worker involvement in the management of undertakings. Virtually all others have at least passed some legislations in the settlement of disputes in enterprises. This study attempted an analysis of the participative systems in the United Kingdom and Yugoslavia. The two systems differ in the principal aims, nature, scope, extent and form of workers' participation. Whereas in the United Kingdom the dominant form of participation is through collective bargaining complimented by joint consultation, the Yugoslav system is entirely workers' self management. The differences portray the divergence in the prevailing political and economic creeds. It would seem that there is no best way of operating the concept. Each country must decide the method that suits it best in order to improve the labour-management relations.

From the research project carried out in a Kenya Company the following general conclusions emerged:

(i) Collective bargaining is not the only method through which workers can influence managerial decisions.

(ii) Management attitudes were fairly favourable towards the idea of workers sharing in the decision making processes of the company.
(iii) Although workers currently would appear not to have adequate potential to participate in decision making, their attitudes towards participation were positive despite their limited opportunities to participate.

(iv) Under appropriate circumstances, the not too poor performance of certain aspects of the existing participative practices can be improved.

(v) The forces which usually encourage the growth of participative practices are weak. The means of communications are poor and inadequate. There is no suggestion scheme in the company. The Works Council is now defunct. Decision making is concentrated in the top and upper management of the company. These characteristics may not be uncommon in other companies in Kenya and for that matter in most organisations in developing countries.

5.2 Recommendations

The increasing interest in workers' participation by the ILO and the enactment of specific laws in order to harness its operation in undertakings in various countries seem to herald a trend that may make participation a central issue in labour-management relations. As we examined earlier, workers' participation is thought to bring about more effective utilization of human resources of the enterprise, reduction of worker alienation, democratisation of undertakings, and the promotion and protection of workers' interests. In the developing countries, workers' participation is considered to be:

19. The International Institute for Labour Studies which was set up by the ILO in 1960, organised an International Comparative Research Project to facilitate a study of the operation of workers' participation in a number of countries. Studies have already been carried out in France, India, Israel, Japan, Yugoslavia, the U.S.A., the United Kingdom, Poland, Spain and the Federal Republic of Germany. See the project outline in IILS Bulletin, No.2, February 1967.
"a way of mobilising the population for the task of development and nation building. It may be seen as a specific means towards developing a labour force committed to an industrial way of life".  

It is therefore very essential that if a less developed country or a company has to introduce, institutionalise and sustain a participative system beyond collective bargaining, it should ensure the following:

(i) that the whole idea of workers' participation is studied by capable people so that a body of factual knowledge is gathered to act as a foundation for policy formulation and implementation. In addition it would be helpful to sponsor officials from the Ministry of Labour, workers' and managements' representatives to countries such as Yugoslavia and others to have guided tours and experience in such a system.

(ii) the development of participation should not be hurried. As any new idea or change, it should be allowed sufficient time for imaginative experimentation, trial and error, to see how it can be controlled and improved. Over-enthusiasm and hasty introduction of too many forms of participation can easily produce negative and undesirable effects.

Kannappan suggests;

"In considering the best means of encouraging the development of participative management practices, it seems necessary to assume that willingness on the part of administrators and managers to delegate or share authority will continue to be

20. Walker, K.F. op. cit., p. 32
limited for a long time to come.
It is equally necessary to assume
a limited willingness on the part
of unions to take responsibility ...

(iii) through propaganda and persuasion, the government
should demonstrate the benefits of sharing authority
with workers. As we noted before, the attitude of
management will largely determine the successful
operation of such practices. Such persuasions can
help in creating comradely relations and replace the
already existing disciplinary and hierarchical relations.
The Government should preferably introduce such
practices in government departments and parastatal
bodies. India and the United Kingdom have followed this
path.

(iv) the capacity in which workers or their representatives
are to participate should be clearly specified.
The failure of the Works Council in Car and General
was largely attributed to a failure in this direction.
For instance, if the workers' role is to be purely
advisory, this should be explained so that they
do not become too presumptuous in their participation.
If, on the other hand, they are to participate in a
decisive capacity, they should be told so. This
also helps to protect the representatives from their
constituents' criticisms if they are expected to perform
within certain limits.

(vi) that a clear demarcation be made between areas of
collective bargaining and joint consultation
or any other form of participation. This helps in

avoiding rivalry and conflict between the roles of various participating bodies.

(vi) that there is legal enforcement of participative practices as this may be an effective instrument for securing the change in the industrial relations system. The ideal situation would be where participative drives come from actors in an industrial relations system. Schregle hints on this view;

"the fact of the matter is that workers' participation initiatives, to be successful, must come from all levels and all sides, if possible simultaneously. The problem is to coordinate these various initiatives properly and weld them into a coherent whole."

(vii) that labour colleges be set up at a national level to help in the training of workers and managers in order to improve their general educational level. At such institutions, they would be introduced to management subjects such as basic business economics and policy.

(viii) that there are adequate communications procedures and internal delegation. There should be facilities for passing on literature and information to workers. For instance, each company should have notice boards or reading rooms where publications, house magazines, circulars, manuals, posters and other publications can be available to workers. If workers are given training, they would be able to usefully use the adequate information given to them by wisely evaluating it. But it should not be too complicated and technical. If it is loaded for instance, with massive figures which workers may not be able to analyse, it will be almost useless. Visual aids can be of educational value.

(ix) In many under-developed countries there are weak unions, and managements are likely to display limited interest in introducing participative practices. It is imperative that such weaknesses are first given attention. If wages are too low, workers may be so preoccupied with earning a better wage that they would misinterpret any drives by management for worker-management cooperation such as joint decision making on health, safety or productivity. It should be further noted that workers' participation is not a panacea for the problems arising out of the labour-management relations.

5.3 Further Research

The future successes and failures of man's attempts to give practical effect to the concept of workers' participation in management will to a large extent depend on how far he understands and grapples with the problems involved. The author proposes some areas of further investigation which can be of aid in this endeavour.

(i) The various instrumentalities which exist in an undertaking such as collective bargaining, Works Councils, Committees or suggestion plans should be studied at a country level through participative observation, investigation and analysis. In a country such as Kenya, this may prove very difficult since currently, it would seem unimaginable that an outsider can sit on a committee of a company ABC when he is not employed by the company. But should this be possible, it would enable a researcher to gather data on the functioning of such mechanisms and point out their weaknesses.
(ii) A study of management and leadership patterns in various companies should be carried out in relation to their sizes (number of employees), the age of the companies as measured by the date of incorporation and ownership. Are the recently created companies for instance in Kenya or the mushrooming multinational corporations likely to introduce different management styles from the older companies which have existed since colonial times? Are parastatal bodies more labour-oriented than private companies? Answers to such questions would highlight some patterns which can provide guidelines and starting points for the implementation of participative practices.

(iii) Research should establish whether or not there is a close correlation between worker involvement and increased efficiency as well as harmonious labour-management relations. This can be done by isolating companies which seem to have limited workers' participation from those which have relatively greater worker involvement, and comparing them by systematic study of variables such as participants' attitudes and financial performance - among others. This would entail a clear separation of dependent and independent variables.
MEMORANDUM OF AGREEMENT BETWEEN THE MOTOR TRADE AND ALLIED INDUSTRIES EMPLOYERS' ASSOCIATION AND THE KENYA MOTOR ENGINEERING AND ALLIED WORKERS' UNION ON MATTERS GOVERNING RECOGNITION, NEGOTIATING AND GRIEVANCE PROCEDURE

1. PREAMBLE

The Parties to this Agreement, meeting together in free and voluntary association, have determined to regulate the industrial relations, the economic well-being of the Industry, its workers and Management. In order to achieve these aims they have agreed to provide:

(a) Machinery for the speedy settlement of Industrial disputes.

(b) A channel of communications between the Member Companies and their employees.

(c) Collective bargaining machinery for negotiations on an Industry basis for those terms and conditions of service as listed in Appendix 'A' of this Agreement for those employees listed in Appendix 'B' of this Agreement.

2. PARTIES TO THE AGREEMENT

The Member Companies of the Motor Trade and Allied Industries Employers' Association listed in Appendix 'C' including any Companies which subsequently join the Association, and the Kenya Motor Engineering and Allied Workers' Union.

3. RECOGNITION

The Association accords full recognition to the Kenya Motor Engineering and Allied Workers' Union as the sole labour organisation representing those employees listed in Appendix 'B' of this Agreement for such matters as are listed in Appendix 'A' of this Agreement provided that and for so long as the Union continues to be fully representative...
of these categories of employees in the Member Companies concerned.

4. **GUARANTEES**

(a) The parties to this Agreement guarantee that representatives of both sides shall discharge their duties in an independent manner without fear that their individual relations with the Member Companies or the Union will be affected in any way by any action taken by them in good faith while acting as a representative.

(b) The Association undertakes not to victimise or intimidate any employee or employees for being a Member of the Union.

(c) The Union also undertakes that it shall not intimidate any employee or employees for not being a Member or Members of the Union.

(d) Whilst recognising that the question of Union Membership is entirely a matter for individual choice, the Association nevertheless, accepts that in the interests of maintaining the required standard of organisation, Union Membership for such employees as are covered by this Agreement should be maintained at the highest level.

(e) The Association undertakes not to interfere with the normal affairs of the Union in any manner whatsoever.

(f) The Union undertakes that employees who are Union representatives will carry out the duties delegated to them by Management during working hours and such representatives will not leave their place of work for any purpose in connection with their duties as Union representatives without first obtaining the permission of Management, which permission shall not be unreasonably withheld.
(g) In the event of a strike or other action leading to a stoppage of work, security and sanitary staff will continue to perform their normal duties, in the interests of both parties to this Agreement, and the Union agrees that it will use its influence to achieve this end. If such employees, being unionisable are required by the employer to undertake duties other than their normal functions, the Union reserves the right to withdraw their service.

(h) The Union agrees that normally no strike shall be called of employees of Member Companies of the Association on any matter arising from a dispute with a non-member Company of the Association. It is accepted, however, that the Union may, after giving the Association seven days written notice, call out on strike employees of Association Members provided that all existing machinery for the settlement of such a dispute has been fully exhausted. Prior to and during the period of strike the Association will use its best endeavours to assist in the settlement of such a dispute.

(i) The Association undertakes to advise the Union of the names of their Officials and Representatives of the Joint Industrial Council and the Union also undertakes to advise the Association of the names of their Officials and Representatives.

(j) To ensure the widest representation of the Union Members on negotiating bodies and adequate provisions whereby claims, grievances, or disputes can be speedily and effectively dealt with, the Union undertakes to elect annually, amongst its members, representatives from each employer company
and also to hold elections for Shop Stewards. Such representatives shall be eligible to serve on the negotiating bodies set out in Clauses 5A, B, and C.

(k) The Association undertakes to afford such facilities as are mutually agreed as being necessary for such Officials and Representatives of the Union to carry out their duties as Representatives of their Members at their place of work.

(l) Nothing in this Agreement should deprive any employee of his right to approach Management on any personal claim or grievance which he may have.

(m) All agreements jointly reached between the Association or its Members, and the Union, or its Representatives, through the medium of negotiating machinery or otherwise shall be committed in writing and signed by representatives of both parties.

(n) The Association and the Union undertake to ensure that their Members, fully comply with the terms of this Agreement and the grievance and negotiating procedure set out herein and to take all possible steps to bring to an end as speedily as possible any action taken by their Members at variance with the terms of this Agreement or any other negotiated collective agreement.

NEGOTIATING MACHINERY AND PROCEDURE

(A) (i) A Local Negotiating Committee shall be formed within each Member Company of the Association at its principle place of business and in all branches of the Company where applicable.
The Local Negotiating Committee shall consist of not more than three Representatives nominated by the Company and not more than three employees' Representatives elected in accordance with Clause 4(j) above. All members of the Local Negotiating Committee shall be in the employment of the Company concerned. A quorum shall be not less than two Representatives from each party.

The Local Negotiating Committee shall meet as and when necessary to consider claims or grievances affecting only the employees of the Company concerned at the particular site or locality. The Committee shall regulate its own procedure and elect its own Chairman and Secretary.

Provided that any such claims or grievances shall be raised in the first instance by a Union Representative with the immediate supervisor of the particular department or place of work within two days of the occurrence giving rise to the claim or grievance.

In the event of failure to reach settlement of the matter at the Local Negotiating Committee it shall be referred to the District Negotiating Committee by the Chairman of the Local Negotiating Committee within two days of such failure.

District Negotiating Committee

A District Negotiating Committee shall be formed, where practicable, within each district or town where Members of the Association operate and shall consist of not more than five Union Representatives.

The District Negotiating Committee shall meet as and when necessary to consider claims or grievances on matters of general interest affecting Members of
the Association, or particular town, or district, concerned. The committee shall regulate its own procedure and elect its own Chairman and Secretary.

(iii) Matters referred to the District Negotiating Committee for consideration, other than those of individual members, shall be so referred by the Chairman or the Secretary of the Local Negotiating Committee. On receipt of a report, the Chairman of the District Negotiating Committee shall convene a meeting of the Committee within three days of the receipt of the report.

(iv) Matters referred to the District Negotiating Committee for consideration by individual members of the District Negotiating Committee shall be committed in writing by the Member taking such a report and shall give full particulars of the claim or grievance to the Chairman of the District Committee. On receiving this report the Chairman of the District Negotiating Committee shall convene a meeting of the Committee within three days of the receipt of the report.

(v) The District Negotiating Committee shall have no power to vary any agreement reached in Joint Industrial Council, but may make recommendations to the Joint Industrial Council on all matters detailed in Appendix 'A' of this Agreement.

(vi) The quorum of a meeting of the District Negotiating Committee shall not be less than three from each party.

(vii) In the event of failure to reach a settlement of the matter at this level within five days it shall be referred to the Joint Industrial Council, by the Chairman or Secretary of the
of the District Negotiating Committee, or in case of one particular company affected the matter may first be referred to the Director of the Company by both the General Secretary of the Union and the Executive Officer of the Association as shall be directed by the Joint Industrial Council.

(viii) The District Negotiating Committee shall regulate its own procedure and elect its own Chairman and Secretary, or Secretaries.

(C) **Joint Industrial Council**

(i) The function of the Joint Industrial Council shall be to negotiate on all matters detailed in Appendix 'A' of this Agreement and all matters referred to it by the District Negotiating Committee.

(ii) The Joint Industrial Council shall consist of not more than five members nominated by the Association and more than five members nominated by the Union. A quorum shall be not less than three representatives from each party.

(iii) The Joint Industrial Council shall meet as and when necessary. It shall regulate its own procedure and shall elect its own Chairman and appoint its own Secretary or Secretaries. It may also co-opt, where necessary, members of the Local or District Negotiating Committee or expert witnesses. It may also set up a sub-committee or committees to try and settle any problem that may arise at the Joint Industrial Council.
The expenses of the Joint Industrial Council (if any) shall be met by the Association and the Union in equal shares unless otherwise agreed.

A meeting of the Joint Industrial Council shall be convened within five days of a request for a meeting from either the Union or the Association, or within five days of the receipt of a report from the District Negotiating Committee. Such request or report shall state the matter or matters to be discussed and will be placed on the Agenda providing such matters are properly the concern of the Joint Industrial Council.

Matters referred to the Joint Industrial Council by the District Negotiating Committee may be referred back to the Committee in writing if in the opinion of the Council such matters have not been properly or thoroughly dealt with by the District Negotiating Committee.

No lockout, strike or other action to hinder the operation of the business of any Member of the Association shall take place on a matter referred to the Chief Labour Office or to the F.K.E./K.F.L. nor whilst being dealt with in accordance with the laws of Kenya or by a Joint Dispute Commission within the specified period. Thereafter, if a lockout, strike or other industrial action is contemplated, seven days written notice of the intended action shall be given to the other party.

(D) Joint Consultative Machinery

The Association and the Union mutually recognise the desirability of a Works Council in every Member Company of the Association consisting of Representatives from both management and employees of such a company.
(ii) The functions of those Councils shall be that of a Consultative body only on any matters not included in Appendix 'A' to this Agreement and which are in normal practice not regarded as subjects for negotiation between the Association and the Union.

(iii) It is hereby agreed that the subjects set out in Appendix 'D' to this Agreement are not to be regarded as subjects for negotiation between the Association and the Union.

(E) Duration of Agreement

(i) In the event of either party to this Agreement wishing to vary the provisions of the Agreement or the Appendices hereto, twenty-one days' written notice of such intention shall be given to either party. Any such variance shall not, however, become operative unless it has been approved by both parties in Joint Industrial Council.

(ii) This Agreement may be terminated by either party on giving to the other three weeks' notice in writing of its intention to terminate.

(iii) While this Agreement remains in force, the observance of its conditions constitutes the only justification for the continued recognition of the Union by the Association.

Signed:  
(W.M.P. HEATH-SAUNDERS)  
on behalf of the Motor Trade and Allied Industries Employers' Association.

Signed:  
(B.E. WASIDIA)  
on behalf of the Kenya Motor Engineering and Allied Workers' Union.

DATED this Sixteenth Day of October, 1963.
APPENDIX C

MANAGEMENT QUESTIONNAIRE

Dear Sir/Madam,

The Department of Business Administration, University of Nairobi is conducting a research project regarding human relations in management in your company. The questionnaire on the following pages was prepared in such a way that it will be possible for you to give quickly the answers which seem to you most appropriate. The only thing you have to do is to read the questionnaire carefully and to mark those answers which appear to you most appropriate.

The first part of the questionnaire merely requires you to give personal information which will be important for our study. The second part will only want you to give your personal opinion in connection with the questions which will also be of help to our study. Every member of management is asked to fill this questionnaire.

Before answering a question, kindly read it carefully and first consider all the answers which are provided. Then tick those answers which are nearest to your opinion. Please do not put down your name. We want to treat your answers in confidence. When you complete the questionnaire, please put it in the envelope provided, seal it and give it to the Secretary of the Personnel Manager who will hand this envelope to a person from the University of Nairobi. Thank you.
Example:

Question: Do most of the employees in your company belong to a trade union?
Yes ----------------------------------
No -----------------------------------

**SECTION A**

Question 1: Are you male or female?
Male -----------------------------------
Female ----------------------------------

Question 2: In what period were you born?
1910-1919 ------------------
1920-1929 ------------------
1930-1939 ------------------
1940-1949 ------------------
1950-1959 ------------------
Later than 1960 -----------

Question 3: What is your rank in the organisation?
----------------------------------

Question 4: What is the highest level of Education you reached?
University -----------------------------------
Secondary Form VI ------------------
Secondary Form IV ------------------
Primary Seven or Eight ------------------
Primary Four ------------------
None -----------------------------------

Question 5: Are you married or single?
Single. ------------------
Married ------------------
Question 6: Have you ever attended a company's Committee meeting or any other meeting where there are both members of management and workers?

Yes ---------------------------------

No ---------------------------------

If answer to question 6 is (NO), go to question 10

Question 7: Who usually chairs the meetings?

A member of management ---------------------

A representative of workers -----------------

Alternating chairman from workers and from management ---------------------------------

Question 8: How interesting are such meetings?

Interesting all the time ---------------------

Interesting most of the time but with dull periods ---------------------------------

Interesting and dull equally -----------------

Dull most of the time -----------------------

Don't know ----------------------------------

Can you give reasons for your answers?

------------------------------------------------------------------

------------------------------------------------------------------

------------------------------------------------------------------

Question 9: Do workers who take part in such meetings put forward reasonable ideas?

Very reasonable -----------------------------

Fairly reasonable ---------------------------

Poor ideas ----------------------------------

Very Poor ideas -----------------------------

Don't know ---------------------------------
Question 10: What do you understand by the words "Workers' Participation in Management"?

Workers representatives participate in management decisions
Workers' representatives sit as real members of management, but continue to do their regular work
Instead of the management, the entire workforce makes all decisions affecting the company
I have never heard of the words "Workers' Participation in Management"
Any other answer

Question 11: In your opinion, would the idea of workers sharing in the making of company decisions be a good thing or a bad thing?

It would be a good thing
It would be a bad thing
Don't know

Question 12: Would you like workers to always have access to information about the company?

All information
Much information but not all
Some information
Little information
None
Question 13: At what level are decisions formally made in your company?

Top Management  
Upper and middle  
To a limited extent throughout  
To a large extent throughout  

Question 14: In general how free do workers feel to talk to you about their jobs - say if you were passing workers on their duties, or if you found them drinking coffee in the canteen?

Fully free  
Rather free  
Not very free  
Not at all free  
Dont' know  

Question 15: Does the company organise any social or sporting activities? If so, how are they controlled?

Controlled by management  
Controlled by employees  
Controlled jointly by management and employees  

Question 16:

(a) Is it desirable, do you think, that employees should have a voice in the conduct of the above activities?

Yes  
No  

(b) If answer to 16a is (Yes), should that voice be:

Decisive  
Advisory  
Question 17: If workers' representatives made decisions with management there would be certain changes. These changes would occur because:
- there would be more privileges for workers
- workers would feel they own the business and there would be no difference between employers and employees
- workers cannot be good managers
- Don't know

Question 18: If workers were to share management decisions with management, what do you think would be the effect on you personally?
- My position would not change at all
- My salary would be lowered
- The profits of the company would decline
- It would be difficult to issue orders
- There would be fewer managers
- My authority and power would be lowered

Question 19: What do you think could be the attitude of workers towards taking part in making decisions affecting the firm?
Workers could refuse to take part
Workers could be indifferent
Workers could be in favour
Don't know

Question 20: In general, do you think trade unions in business promote the good running of these businesses?
- Unions are helpful
- Unions are both good and bad
- Unions only cause problems
- Don't know
Question 21: Have most workers reached a level of maturity and independence in their work or they still need much close supervision?

A great deal of supervision

A fair amount of supervision

Not very much supervision

Don't know
### APPENDIX D

**WORKERS' QUESTIONNAIRE**

**SECTION A**

<table>
<thead>
<tr>
<th>Question 1: Are you male or female?</th>
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<tbody>
<tr>
<td>Male</td>
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<tr>
<td>Female</td>
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<table>
<thead>
<tr>
<th>Question 2: In what period were you born?</th>
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<tr>
<td>1910-1919</td>
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<td>1950-1959</td>
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<td>Later than 1960</td>
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<table>
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<tr>
<th>Question 3: How long have you worked for the company?</th>
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<tr>
<th>Question 4: What is the highest level of education you reached?</th>
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<tbody>
<tr>
<td>None</td>
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<tr>
<td>Primary Four</td>
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<td>Primary Seven or Eight</td>
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<td>Secondary Form IV</td>
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<td>Secondary Form VI</td>
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<tr>
<td>University</td>
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</tbody>
</table>
Question 5: Are you married or single?

Married --------------

Single --------------

Question 6: What is your rank in the organisation?

-----------------------------------------------

SECTION B

Question 7: Where does your biggest interest lie?

Most interest in work of company ------------

Most interest in home and family ------------

Do not know ---------------------------------

Question 8: Would you say that you are doing work which is generally satisfying or not?

Generally satisfying ------------------------

Generally not satisfying ---------------------

Question 9: Do you think you could manage more difficult jobs for instance if you are promoted to the rank of supervisor?

Could manage more difficult tasks ------------

Could not manage ---------------------------

Don't know --------------------------------

Question 10: Do you feel that you should be sent for further training?

Yes ----------------------------------------

No ----------------------------------------

Give reasons for your answer

------------------------------------------------------------------

------------------------------------------------------------------
Question 11: Can you think of specific things which management decides which in fact you think workers should decide and not management?

Question 12: How much variety is there in your work? Or can you try out new ideas in your work on your own?

The same work all the time

Can try out new ideas on my own

Don't know

Question 13: Would you like the company to introduce a system whereby you can write to management and make suggestions on how the company should be run better?

Yes

No

Question 14: Would you ever like to have a private meeting between yourself and a senior company executive to discuss matters affecting the company?

Yes

No

Question 15: Which of the following do you consider to be the most important?

Enough wages

Working with friendly people

Not losing my job

Taking part in making decisions of the company

To be respected in the company
Question 16:
(a) Are you a member of a Union?
   Yes -----------------------------------
   No -------------------------------------

(b) If answer is (NO) go to question (16c)
   If answer is (YES) are you an official, say
   a shop steward or a member only?
   Official --------------------------------
   A member only -----------------------

(c) Is there any reason(s) you would like to mention
   why you have not joined?
   ---------------------------------------------------
   ---------------------------------------------------
   ---------------------------------------------------
   ---------------------------------------------------

Question 17: (If respondent is a shop steward) What was
   the major reason for becoming a union representative?
   To gain status in the company ---------------------
   To get promotion --------------------------------
   To play a role in improving conditions of workers
   in the company -----------------------------------
   Don't know --------------------------------------

Question 18: (If respondent is only a member of a union)
   Have you ever thought of being a union official?
   Yes ------------------------------------------
   No -------------------------------------------

   Can you give reasons for your answer?
   ---------------------------------------------------
   ---------------------------------------------------
   ---------------------------------------------------
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