

Course: BBA Part II

Paper: VII

Topic: Merits and Demerits of Worker's Participation

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Merits of Worker's Participation:

Workers' participation in management is a tool which promotes better industrial relations and establishes industrial peace. It is important concept for both management and workers. The need is to implement it honestly to reap its merits in the form of mutual understanding, increased efficiency of workers, increased production etc. Workers' participation in management has several advantages.

1. Mutual Understanding:

The employees and employers nurture two different conflicting interests. Surprisingly both lack the knowledge of the problems faced by them. Workers' participation in management brings both the parties together. This togetherness enables them to understand each other's problem. This minimizes conflicts and promotes mutual understanding.

2. Efficiency of Workers Increase:

The workers become the partner in decision making process. Whatever decisions are taken, they are their own and hence they have to abide by them. They become enthusiastic and put lot of hard work while working. This helps in increasing the overall efficiency of workers.

3. Increase in Production:

Increase in efficiency of workers, better understanding between workers and employers lead to mutual cooperation which results in increased productivity and increase in total production of the enterprise.

4. Establishes Industrial Peace:

Workers participate in decision making process. Whatever decisions good are bad taken workers are the party to it and hence they cannot evade the responsibility. Employers and workers

understand each other better and conflicts are minimized. Each dispute is solved with mutual understanding. In this way disputes are eliminated and industrial peace is restored.

5. Promotion of Industrial democracy:

Participation of all the parties' employees and employers in the management of the industries which works to safeguard the interests and betterment of all is industrial democracy. Workers' participation in management helps in promoting industrial democracy.

6. Welcomes Changes:

Some if not all the changes are resisted by the workers. But workers' participation in management helps in arriving at a unanimous decision whether to accept or reject any change. The changes which bring more benefits than the costs incurred on them, are accepted. Hence the changes are welcomed by the employees.

7. Personal Development:

Participation helps workers to express their creative instinct and they respond favourably to the challenges at the workplace as regards performance of the job. They feel free in doing so. It is possible as participation brings industrial democracy.

8. Reduces Misunderstanding:

Participation reduces misunderstanding regarding the managements' outlook. This increases the organisational balance.

9. No Outside Help to Sort-out Disputes:

Employees themselves are participating in the decision making with the employers. They therefore realize workers as well as managements' problem better hence disputes are resolved by understanding the difficulties of each other. So in case of industrial dispute no outside help is taken they are sorted out within the plant itself by the employees and employers themselves.

Demerits of Workers' Participation:

In spite of above advantages of workers' participation there are certain disadvantages.

Following are the demerits of workers' participation:

1. Workers are not Enthusiastic:

The workers are not enthusiastic about the scheme and employers believe that they being incompetent cause delay in decisions. Some of the good decisions cannot be implemented for lack of support from the workers.

2. Weak Trade Unions:

In India trade unions are not strong enough. There are multiplicities of trade unions and they are dominated and led by political leaders. This makes trade unions weak. They cannot show solidarity of workers. There should be one strong union so that they can elect competent representatives for participation. Moreover there are certain problems require specialized knowledge which workers do not possess hence such problems cannot be solved through participation. They cannot even understand the gravity of situation.