



A Comparative Overview of Levels And Forms on Co-Determination

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ABSTRACT

The system which involves the workers in the management process develops mutual trust and regard, develops employee commitment towards rendering whole-hearted co-operation to the management. The first step towards ensuring harmony between labour and management is to associate workers with the decision-making process of the enterprise.

Further the system bridges the gulf created between mechanistic structures and human structures. In fact, this system enhances productivity and efficiency and fosters industrial harmony and human personality. The present paper compares the effectiveness of co-determination in the private and co-operative sectors' industrial units of Kerala.

KEYWORDS : Co-determination, Co-operative Sector, PISOOLIP, Private Sector

I. Meaning of the Concept

Co-determination, popularly known as participative management, is a process by which employees can influence management decision-making at various hierarchical levels in an enterprise (Jain, 1980). Thus, it refers to influence in decision-making exerted through a process of interaction between workers and managers and is based upon information sharing. Participation is a system where the employee and the employer feel that they are working together towards a common cause, hand in hand, pulling together their weight, for the development of industry and progress of society.

The desirability of the labour co-determination is based on the very fact that it increases the welfare of the society as a whole. It increases the production not only through peaceful industrial environment but also through increase in the productivity of a labour by inculcating into him the sense of belongingness to the plant community life.

Wall and Lischeron (1977) described co-determination as "influence in decision-making exerted through a process of interaction between workers and managers and based upon information sharing".

II. Objectives of Co-determination

"Co-determination may be looked as an instrument for improving efficiency of enterprises and establishing harmonious industrial relations; as device for developing social education; for effective solidarity among the working community and for tapping latent human resources; as a means for attaining industrial peace and harmony leading to higher productivity and increased production; as a humanitarian act for giving the worker an acceptable status within the working community and a sense of purpose in activity; and as an ideological device to develop self management in industry" Joship (1978). These words incorporate the fundamental objectives of co-determination.

The objectives of co-determination in management as perceived by the Government of India include resolving industrial disputes, establishing industrial peace and harmony, and increasing productivity (Michael, 1979).

III. Methodology of the Study

The present study is proposed to assess the volume and magnitude of co-determination practices in the private sector (PS) and co-operative sector (CS) industries in Kerala and thereby measure the effectiveness in the implementation of the concept.

For the purpose of this study, 16 industrial units working in Kerala have been identified as sample industries on the basis of purposive sampling method. 8 industrial units were belonging to the PS and another 8 were CS industrial units. Both manufacturing and service industries were included within the purview of the study in equal number. Structured questionnaires have been distributed to adequate number of respondents and questionnaires which were complete in every respect received from 288 sample respondents who have been selected on the basis of stratified random sampling method have constituted the major

database of the study.

The principal research questions included in the questionnaire sought to assess the impact of eight parameters on the effectiveness of labour co-determination in the PS and CS industries of Kerala. The attempt has been to measure the effectiveness of co-determination in the above industrial sectors, in a unique manner based on the volume and magnitude of presence of the variables such as productivity, industrial relations, social commitment of the organisation, organizational effectiveness, organisation culture and development, labour welfare and compensation, industrial discipline, and professional development of the labour among the selected sample industrial units.

The volume and magnitude of above mentioned factors in an industrial organisation has a direct correlation with the effectiveness of co-determination there. The more their presence, the more will be the effectiveness of co-determination in management. The researcher have coined the term 'PISOOLIP' to identify the above mentioned eight variables collectively by incorporating the first letters of those variables.

For the purpose of the present study; an industrial unit to be included within the purview of the study need not have introduced a formal system of co-determination with different types of committees formed at various levels, even a mere suggestion scheme existing in that industry itself is taken as a sign of some sort of participative and worker friendly approach of that organisation and qualifies that industry to be included in the sample frame of the study.

IV. Formulation and Testing of Hypothesis

Since the study is in the nature of a descriptive assessment of the effectiveness of co-determination practices in the PS and CS industries in Kerala, the following has been formulated as working hypothesis.

H_0 : There is no difference between the co-determination practices in the PS and CS industries.

Vs

H_A : The co-determination practices in PS and CS industries differ significantly.

Table 1: The mean scores of effectiveness of co-ownership in the PS

PISOOLIP	PS	
	Mean Score	SE
Productivity	26.7778	0.2020
Industrial Relations	21.2778	0.1496
Social Commitment of the Organisations	26.0000	0.1890

Organisational Effectiveness	47.1111	0.3881
Organisation Culture and Development	43.6111	0.2464
Labour Welfare and Compensation	65.8889	0.3480
Industrial Discipline	43.1667	0.2648
Professional Development of the Labour	34.5556	0.2034

Source: Primary data

Table 1 is an exhibition of mean scores of effectiveness of co-determination practices in the PS industries in Kerala. It has been assessed on the basis of each constituent of PISOOLIP.

Table 2 is the vindication of the mean scores of effectiveness of co-determination practices in the CS industries of Kerala computed according to the same methodology used in the case of PS.

Table 2: The mean scores of effectiveness of co-ownership in the CS

PISOOLIP	CS	
	Mean Score	SE
Productivity	18.4444	0.1895
Industrial Relations	17.9444	0.2168
Social Commitment of the organisations	19.5556	0.1284
Organisational Effectiveness	34.5000	0.4211
Organisation Culture and Development	30.5556	0.2090
Labour Welfare and Compensation	51.3333	0.3028
Industrial Discipline	33.5556	0.1895
Professional Development of the Labour	27.1111	0.3297

Source: Primary data

Table 3: A comparison between effectiveness of co-ownership in PS and CS

PISOOLIP	Z-value	Conclusion
Productivity	361.0484	Significant
Industrial Relations	151.8602	Significant
Social Commitment of the Organisations	338.452	Significant
Organisational Effectiveness	264.2607	Significant
Organisation Culture and Development	484.8831	Significant
Labour Welfare and Compensation	378.6464	Significant
Industrial Discipline	354.1942	Significant
Professional Development of the Labour	230.6028	Significant

Source: Primary data

An attempt has been made to compare the effectiveness of co-determination practices between PS and CS industries using Z-test. The result is produced in Table 3. It is made obvious that there is significant difference between these two sectors in the practicing of co-determination.

Since it has been proved that the PS and CS industries lack uniformity with regard to the effectiveness of co-determination practices, it is worthwhile to make an enquiry to identify the sector where effectiveness is comparatively high. The Z-values in the Table 3 has been used to carry out a one tailed test to serve the purpose and has been found that PS industries in Kerala is more effective than the CS industries in the operationalisation of the concept.

IV. Conclusion

It has been an eye opener that the CS industries which are the real worker co-operatives lag behind the PS in its approach and practice of co-determination. It should be a subject matter for another piece of study to enquire into the reasons behind such a pathetic performance of the CS industries, since co-operative sector has always been highlighted as a panacea to solve the industrial backwardness of Kerala. It is a fact that unless the status of the worker is raised and he is recognized as a true partner in the industry and a co-trustee of community's welfare along with capital, he could not be persuaded to put his very best in the work.

Co-determination is the extent to which members involve themselves in and devote energy to the operation of the organisation. Participation is based on the fundamental concept that the ordinary worker invests his labour in, and ties his fate to his place of work, and that therefore; he has a legitimate right to have a share in influencing the various aspects of company policy. Participative decision-making is also seen as a form of empowerment that allows employees to realise their full potential thereby helping organisations to secure competitive advantage.

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