EMPLOYEE PARTICIPATION AS A FORM OF SOCIAL CHANGE AND ITS EFFECT ON LABOUR RELATIONS

Marietjie Beetge
Honors Baccalaureus Artium

Dissertation submitted for the degree Magister Artium in Industrial Sociology in the School of Behavioural Sciences at the Vaal Triangle Campus of the Potchefstroom University for Christian Higher Education

Study Leader: Prof C de W van Wyk

Vanderbijlpark
May 2000

For

Gert J.A. Beetge
Elizabeth M. Beetge

...who gave me a world

Francois

...who makes my world beautiful

Jesus Christ

...who holds my world in place

EXPRESSING THANKS

Thanks be to God my Saviour for it was only by His grace that I could complete this study.

In completing the study I would like to express my sincere thanks and appreciation to the following persons:

- Prof. C. de W van Wyk as my study leader.
- Mr. L.P. de Villiers for his insight in the study field.
- Mr. P. Segele, labour relations advisor at Lethabo Power Station in organising my practical research.
- Mrs. O'Raw for attending to language and grammar.
- Danie Krüger and Elsabé Pienaar for attending to language and technical aspects of the study.
- The ladies working at Ferdinand Postma Library for their patience and willingness to help.
- My husband Francois, for his support and encouragement to complete the study.
- My parents, for their prayers.

Employee participation as a form of social change and its effect on labour relations

CHAPTER 1
INTRODUCTION AND PROBLEM SETTING..... 1

CHAPTER 2
THEORETICAL PERSPECTIVES AND APPROACHES ON THE APPEARANCE OF CHANGE THAT LEADS TO WORKER PARTICIPATION AND LABOUR RELATIONS 18

CHAPTER 3
A CONCEPTUAL FRAMEWORK OF WORKER PARTICIPATION 55

CHAPTER 4
IMPLEMENTATION OF PARTICIPATIVE SCHEMES 96

CHAPTER 5
WORKPLACE DEMOCRACY: A FORM OF SOCIAL CHANGE 187

CHAPTER 6
EMPIRICAL RESEARCH 231

CHAPTER 7
RECAPULATIVE ASSUMPTIONS, SUGGESTIONS AND REMARKS 262

APPENDIXES 287

OPSOMMING 303

ABSTRACT 304

BIBLIOGRAPHY 305

CONTENTS

CHAPTER 1
INTRODUCTION AND MOTIVATION

1.1	Introduction and explanation of the problem	1
1.2	The purpose of the study	4
1.3	Method of the study	4
1.3.1	Literature study	4
1.3.2	Empirical investigation	5
1.4	Description of certain concepts	6
1.4.1	Worker participation/ participative management	6
1.4.2	Labour relations	9
1.4.3	Co-determination	12
1.4.4	Social change	13
1.4.5	Works council/ workplace forums	14
1.4.6	Workplace democracy	15
1.5	Deployment of the content	16
1.6	Problems experienced during the study	17

CHAPTER 2
THEORETICAL PERSPECTIVES AND APPROACHES ON THE APPEARANCE OF CHANGE THAT LEADS TO WORKER PARTICIPATION AND LABOUR RELATIONS

2.1	Introduction	18
2.2	Social change	19
2.3	Causes of change in the organization	20
2.3.1	Political changes	20
2.3.2	The economical environment	21
2.3.3	Social change	22
2.4	Theories of change in the organization	22
2.4.1	Equilibrium theory	22
2.4.2	Talcott Parsons	25
2.4.3	Emile Durkheim	27

2.4.4	The Marxist perspective	28
2.4.5	Ideologies/ value systems as determinants of change	29
2.5	Theories on democracy	30
2.5.1	Jean-Jacques Rousseau	30
2.5.2	John Stuart Mill	31
2.5.3	G.D.H. Cole	33
2.6	Approaches to labour relations	34
2.6.1	Unitarian perspective	34
2.6.2	Pluralistic perspective	35
2.6.3	Radical perspective	36
2.7	The systems theory	37
2.7.1	Dunlop's systems theory	37
2.7.2	The Homans model	38
2.7.3	The technical and social systems	39
2.7.4	The open system	39
2.7.4.1	Characteristics of an open system	40
2.7.4.2	The labour relations system	41
2.8	Comparison between the basic assumptions of different organization theories	42
2.8.1	Classical school	42
2.8.2	Human relations school	43
2.8.2.1	Elton Mayo	43
2.8.3	Human resource theories	43
2.8.3.1	Abraham Maslow	43
2.8.3.2	The appropriateness of the use of authority	44
2.9	Conflict theory and social change	48
2.10	Alternative models of organizational control	50
2.10.1	The capitalist model	50
2.10.2	Statist model	51
2.10.3	The worker participation model	52
2.10.4	Interest group model	53
2.11	Summary	54

CHAPTER 3

A CONCEPTUAL FRAMEWORK OF WORKER PARTICIPATION

3.1	Introduction	55
3.2	Forms of worker participation	56
3.2.1	Direct participation	56
3.2.2	Indirect partisipation	56
3.2.3	Financial partisipation	56
3.3	Levels of worker participation	56
3.4	Process of worker involvement	59
3.4.1	Two types of participatory situations	59
3.4.2	Areas of decision-making	59
3.4.3	Variables that influence greater or smaller participation	60
3.4.3.1	Aspirations of workers	61
3.4.3.2	Political aspirations of South African workers	62
3.4.3.3	The power variable	62
3.4.3.4	Social and cultural variable	63
3.5	Objectives of participation	63
3.5.1	Ethical/ moral	63
3.5.2	Social-political	63
3.5.3	Economic	64
3.5.4	Legislation	66
3.6	How participation affects 5 determinants of organizational effectiveness	67
3.6.1	Motivation	67
3.6.2	Satisfaction	68
3.6.3	Acceptance of change	68
3.6.4	Problem-solving	69
3.6.5	Communication	70
3.6.5.1	Switching off sources of information	71
3.6.5.2	Active listening	71
3.6.5.3	Failing to seek clarification	71
3.6.5.4	Ensure correct transformation and receipt of message	71
3.6.5.5	Refusing to see the other person's point of view	71
3.6.5.6	Refusing to communicate with those who do not agree with one's viewpoint	71

3.6.5.7	Becoming over-emotional, thus ceasing to be rational	71
3.6.5.8	Failure to express feelings or opinions directly	72
3.6.5.9	Judging the other party	72
3.6.5.10	The desire to say your piece at all costs	72
3.6.5.11	Compensating for feelings of inadequacy	72
3.6.5.12	Having a bicyclist personality	72
3.6.5.13	Distorting the message	72
3.6.5.14	Narrow-mindedness	73
3.6.5.15	Distrusting / suspicion of the speakers motives/ intentions	73
3.6.5.16	The desire for one-upmanship	73
3.6.5.17	Dilebarately misleading the other person	73
3.6.5.18	Selective perception	73
3.7	Interpretations of worker participation	74
3.7.1	Socio-political concept or philosophy	75
3.7.2	Generic term	75
3.7.3	A phase in the evolutionary development	75
3.8	Initiators of different programs	76
3.9	Key factors that play a role in the introduction of participation	77
3.9.1	The role of legislation and agreements	77
3.9.2	Training and education	78
3.9.3	Information	79
3.9.4	Other factors	80
3.10	Shop stewards	81
3.11	Leadership	81
3.12	Adversarialism – Bilateralism	82
3.12.1	Factors that determine South Africa's potential for bilateralism	84
3.12.1.1	The dualistic nature of the economy	84
3.12.1.2	Sound labour relation principles	84
3.12.1.3	Racism	85
3.12.1.4	The conglomerate factor	85
3.12.1.5	Industrial unionism	85
3.12.1.6	Dynamics of the workplace	85
3.12.1.7	The transition period	86
3.13	Education: the cornerstone of participation	87
3.14	Benefits and disadvantages of worker participation	88

3.15	Paradoxes of worker participation	91
3.15.1	Are worker participation programs, which seem revolutionary, being poorly adopted in countries with the most liberal worker movements?	91
3.15.2	Where the rise of worker participation movement corresponded to a period of prosperity, is it believed that prosperity makes capitalism better able to resist the working class radicalism?	91
3.15.3	Why has it been possible for the worker participation moevement to have such success, when voluntaristic collective bargaining is favoured?	92
3.15.4	Why did the current economic problems not cause industrail democracy to fade away in favour of bread-and-butter issues?	92
3.15.5	Why is it that, amidst similarities between capitalist countries, unions in one country may demand an increase in participation in management, while unions in another country may not?	93
3.16	Summary	94

CHAPTER 4

IMPLEMENTATION OF PARTICIPATIVE SCHEMES

4.1	Introduction	96
4.2	Model of effective implementation of participative schemes	98
4.2.1	Power	98
4.2.2	Information	99
4.2.3	Knowledge	99
4.2.4	Rewards	100
4.3	Participative schemes	100
4.3.1	Information and consultation	101
4.3.2	Collective bargaining	102
4.3.2.1	Historical overview	106
4.3.2.2	The character of collective bargaining in South Africa	107
4.3.2.3	Syndrome	109
4.3.2.4	Proposals	109
4.3.2.5	Disclosure of information	110
4.3.3	Workplace forums	111

4.3.3.1	Composition	113
4.3.3.2	Powers and functions	114
4.3.3.3	The implementation of workplace forums	118
4.3.3.3.1	Phase one: preparation	119
4.3.3.3.2	Phase two: establishing the steering committee	120
4.3.3.3.3	Phase three: co-determination	124
4.3.3.3.4	Phase four: establishing the workplace forum	125
4.3.3.3.5	Phase five: empowering workplace forum representatives	125
4.3.3.3.6	Phase six: functional phase	126
4.3.3.4	Facilities and protection afforded to members	126
4.3.3.5	Trade union's role and perception on workplace forums	126
4.3.3.6	Disclosure of information	131
4.3.3.7	Co-decision in works councils	131
4.3.3.8	Comparison between German workplace council and South African workplace forum	132
4.3.3.9	Comparison between the New Labour Relations Act and the metal industry	133
4.3.3.10	Co-determination and the two-tier-board system	135
4.3.3.11	Advantages and disadvantages of workplace forums	139
4.3.4	Teams and job enrichment	141
4.3.4.1	Characteristics	142
4.3.4.2	Work teams as a form of participation	145
4.3.4.3	The effect of work teams	146
4.3.4.4	Duration and dissemination	148
4.3.4.5	Applications of work teams	148
4.3.4.6	Profile of team leaders	148
4.3.5	Team briefing	150
4.3.6	Quality circles	151
4.3.6.1	Characteristics of quality circles	152
4.3.6.2	The effect of quality circles	154
4.3.6.3	Duration and dissemination	156
4.3.6.4	Evaluation of circles	157
4.3.6.5	Purposes of circles	158
4.3.6.6	Swedish socio-technical teams	159

4.3.7	Job rotation, job enlargement and job enrichment: quality work life programs	161
4.3.8	Financial participation	163
4.3.8.1	Types of financial participation	165
4.3.8.2	Perceptions on financial participation	170
4.3.9	Co-operation	174
4.3.10	Worker directors/ membership on management boards	174
4.3.11	Self-management: worker control and ownership	176
4.3.12	Co-operatives	179
4.3.12.1	Perspectives on co-operatives	180
4.4	Summary	182

CHAPTER 5

WORKPLACE DEMOCRACY: A FORM OF SOCIAL CHANGE

5.1	Introduction	187
5.2	Workplace democracy	187
5.3	Legislation on workplace participation	190
5.4	Industrial relations	191
5.4.1	Workers ideology	191
5.4.2	Union ideology and structure	192
5.4.3	Management ideology	193
5.4.4	Government ideology	193
5.5	Organization as political arenas	194
5.5.1	The role of management in the new South Africa	195
5.5.2	The role of government in the new South Africa	195
5.5.3	The role of organized labour in the new South Africa	197
5.5.3.1	The union role during "apartheid"	197
5.5.3.2	Alliance with political parties vs. union independence	198
5.5.3.3	Danger of a weaker union structure	203
5.5.3.4	Worker participation	204
5.6	Workplace change	205
5.6.1	Factors in determining effective workplace change	205
5.6.1.1	Willingness of the parties	205

5.6.1.2	Not a process for everyone	206
5.6.1.3	Timing and expectancy	206
5.6.1.4	Not a replacement for collective bargaining	209
5.6.1.5	Traditional roles and the political factor	209
5.6.1.6	Needs for training and education	209
5.6.2	Participation as a form of social change	210
5.6.2.1	Culture	213
5.6.2.2	Organizational culture	214
5.6.2.3	Resistance to change	216
5.6.2.4	Management of change and resistance of change	218
5.6.2.5	A model for the effective management of change	219
5.6.3	Human recource factor: empowerment in relation to participation	221
5.7	Summary	229

CHAPTER 6

EMPIRICAL RESEARCH

6.1	Introduction	231
6.2	Research method	232
6.2.1	Delimitation of the study field	232
6.3	Measuring instruments	232
6.4	Research group	233
6.5	Procedure	234
6.6	Analysis of important findings	235
6.6.1	Bibliographical information of the respondents	235
6.6.2	General impressions on worker participation	241
6.6.2.1	The advantages and disadvantages of worker participation	242
6.6.2.2	The implementation of worker participation	242
6.6.2.3	Ways of getting workers involved within the organization	243
6.6.3	The impact of worker participation on labour relations	244
6.6.4	Forms of worker participation	247
6.6.5	Effectiveness of co-determination at Eskom	249
6.6.6	Personal opinion on the current success of worker participation at Eskom	252

6.6.6.1	Political aspiration of workers	252
6.6.6.2	Information and consultation	252
6.6.6.3	Workplace forums	252
6.6.6.4	Financial participation	254
6.6.6.5	Worker participation	255
6.7	Summary	260

CHAPTER 7

RECAPITULATIVE ASSUMPTIONS, SUGGESTIONS AND REMARKS

7.1	Review of the introduction and theoretical component	262
7.2	Purpose of the study	264
7.2.1	Aim 1: the practicing of worker participation within the organization as an open system and the effect of organizational theories	265
7.2.2	Aim 2: the dynamics of the field of worker participation	267
7.2.3	Aim 3: main characteristics of legal and voluntary participative schemes and its effect on economical competitiveness and labour relations	270
7.2.4	Aim 4: various perceptions and opinions in terms of participative schemes that influence the effective implementation of worker participation	278
7.2.5	Aim 5: empowerment as the key to successful workplace democracy through worker participation	282
7.2.6	Aim 6: the implementation of worker participation in organizations as political arenas to bring about workplace democracy	284
7.3	Final remark	286

LIST OF APPENDIXES

APPENDIX A	The Questionnaire	287
APPENDIX B	Questionnaire statistics	302

OPSOMMING 303
ABSTRACT 304
BIBLIOGRAPHY 305

LIST OF FIGURES AND TABLES

FIGURES

Figure 1	The tri-partite character of labour relations	10
Figure 2	The differentiation between worker relations on macro- and micro-level	11
Figure 3	The interdependent parts and their environment	38
Figure 4	The open system	40
Figure 5	Maslow's need hierarchy	43
Figure 6	Appropriateness of authority as a method to control a situation	45
Figure 7	Capitalist model	51
Figure 8	Statist model	52
Figure 9	Worker participation model	52
Figure 10	Interest group model	53
Figure 11	Levels of worker participation	57
Figure 12	Levels of decision-making	58
Figure 13	Levels of collective bargaining	83
Figure 14	Works council rights	115
Figure 15	The problem-solving process	207
Figure 16	The expectancy factor in worker participation programs	208
Figure 17	Actual occurrence factor in employee involvement programs	208
Figure 18	A model for the effective management of change	220
Figure 19	Union empowering model of worker participation	226
Figure 20	Quaifications of respondents	237
Figure 21	Job grading of respondents	238
Figure 22	Categories of sub-ordinates	239
Figure 23	Involving workers in worker participation	244
Figure 24	The effect of worker participation on labour relations	245
Figure 25	Labour relations aspects	246
Figure 26	Forms of worker participation that brings about substantia48 workplace changes	246
Figure 27	Identified advantages of worker participation	255
Figure 28	Identified disadvantages of worker participion	256
Figure 29	Comparison between the advantages and disadvantages of worker participation	258
Figure 30	Personal opinion of part II	259
Figure 31	The management apporach system	271

TABLES

Table 1	Sources	5
Table 2	Critical organizational processes of worker participation	8
Table 3	Overview of the political environment in South Africa	21
Table 4	Conclusion of the perceptions of the classical human relations- and human resource theories	46
Table 5	Variables that influence the intensity of participation	60
Table 6	Forms of participation initiated by management	76
Table 7	Forms of participation and control initiated by the workforce	77
Table 8	Forms of participation initiated by union officials	77
Table 9	Forms of participation initated by government	77
Table 10	Management's role in the implementation of workplace forums	122
Table 11	Union's role in the implementation of workplace forums	123
Table 12	German works councils vs. South African workplace forums	133
Table 13	Comparison between the provisions of the New Act and the metal industry approach in terms of work place forums	134
Table 14	Two-tier board system	136
Table 15	The comparison between Japanese and Swedish models of teamwork	160
Table 16	Age variation of respondents	235
Table 17	A summary of respondents' gender and highest qualification	236
Table 18	Groups where respondents are working	237
Table 19	Respondents with/ without sub-ordinates	239
Table 20	Number of service years in the employ of Eskom	240
Table 21	Number of years in current job position	240
Table 22	Known concepts	241
Table 23	Advantages of worker participation	242
Table 24	Disadvantages of worker participation	242
Table 25	Impressions on the implementation of worker participation	243
Table 26	Co-determination as a form of empowerment	250
Table 27	The participative schemes in the process of empowerment	251
Table 28	Elements for effective worker participation	255
Table 29	Decisions included in worker participation	259

CHAPTER 1

INTRODUCTION AND PROBLEM SETTING

1.1 INTRODUCTION AND EXPLANATION OF THE PROBLEM

Seeing employee participation as a form of social change that has extended from the implementation of democracy since the 1994 election in South Africa, it is important to remember that:

- According to black South Africans, co-determination should exist in order to make sound judgments and decisions; and
- The perception of exploitation that emerged during the "apartheid"-era between the white supremacy group and the underprivileged group, developed a need for recognition in all spheres of society.

Political changes therefore brought democracy not only to society as a whole, but also extended this to the workplace.

The pressure that South African business is experiencing for employee participation is a natural result of economic and social change. A new generation of workers is emerging: better educated, more affluent, and more mobile. As a result of these factors and the political changes, workers are becoming more independent and are asserting their individuality. They are less tolerant of boredom, of lack of proper health and safety provisions, and of discomfort in the working environment. As a result they have begun to challenge management to move away from rigid and autocratic management styles (Parr, 1996:28).

Employee participation has been researched and discussed in business literature for decades. But at no other time in South Africa's history has the topic enjoyed such interest and importance.

In 1994, a Ministerial Legislation Task Group was implemented by the South African Cabinet to review labour law. This group has made a proposal in the explanatory memorandum to the draft Labour Relations Bill that employee participation should be enforced through legislation in South Africa as employee participation has the capability of producing positive effects (Anon., 1995c:278-336).

The assumption is being made by various authors that employee participation can lead to higher productivity. Restructuring of South African organizations is therefore necessary to help them to compete on international markets. But the antagonistic nature of South Africa's present system towards labour relations may restrict restructuring.

In order for an organization to be competitive, the organization must give high priority to employee participation by doing the following:

- the workforce must be motivated to take part in making decisions that previously were management's prerogative,
- the workforce need to have access to information that is necessary to make decisions; and
- empowerment is essential so that the workforce will be able to make responsible decisions and be accountable for that decisions (Mastrantonis and Nel, 1995:18).

When considering the political sphere, the researcher doubts if striving for higher productivity is the main reason for implementation of employee participation programs in South Africa. There may be a connection to the relationship between the present government and political parties with the labour force in order to implement the concept of democracy in the workplace. The question that must be asked is: What does the workforce understand by democracy, and more specifically, workplace democracy? Is it employee participation that concern them, or is it co-determination?

According to Heathfield (1977:4), some support for employee participation in management has come from those who wish to put responsibility where the power is. He says, "Others seem to think that participation will moderate the 'exploitation' of workers by capitalists and thereby redistribute income and wealth in favour of labour. Yet others believe that workers benefit from participation per se: workers are somehow made better, more complete individuals by having some direct influence on the decisions taken at their places of work. Still others argue that the principal gains are that workers will be better motivated and better informed by being involved in the firm's decision-making."

One reason for changes in the present labour law is to bring about a change in the relationship between the labour force and management, so that it can develop in co-operation. Much uncertainty exists among management and unions over the impact that these changes would have on labour relations, on micro- as well as macro-level.

According to Summers (1985:807), the success of employee participation will be determined by the separation of aspects (economical aspects versus workplace- and productivity related aspects) which

will be negotiated. When a spirit of hostility influences co-operation, participation regarding aspects where parties have an interest, such as work security, is much more difficult to negotiate.

Calitz (1996:3) is of the opinion that, because there is no obligation on management in the South African labour dispensation to negotiate on a centralized level, the differentiation between participation regarding aspects with inherent greater conflict potential, and aspects where both parties can benefit from participation, gives rise to problems.

It can be debated that if worker representatives (such as on the workplace forums) still know what their objectives should be, may they not be the same as those of the managers of today? Furthermore, is there any evidence that workers have more information or better managerial aptitude, than those chosen as managers under the existing system? On the other hand, if employee participation does reduce the disruption caused at the workplace in pursuit of sectional interest, productivity would be improved in both the short and the long run. It is therefore necessary to investigate how a conflict of interest may be resolved under employee participation, in comparison with the current system of negotiation and "industrial action". If participation were a cheaper way of reaching agreement would not entrepreneurs use it? (Heathfield, 1977:7). The problem according to Hawkins (1977:8) is: can macroeconomic control be better exercised under a system of employee participation or under the entrepreneurial capitalist system?

The following issues arise when one looks at labour participation:

- Is employee participation necessary for a business to function effectively? Does it really bring greater productivity and motivation to the workplace?
- Does any problem exist with the implementation of employee participation, and if it does exist, what solutions can be found?
- Does the concept of co-determination and employee participation mean the same thing to both management and workforce?

It is clear that different views exist about employee participation, whether it works or not, and when it works effectively. Does it exist because people are still uninformed about employee participation, about its worth and what methods should be implemented to make sure that participation reach the lower levels of the organization? A study should therefore determine the existence of any problems with the implementation of employee participation in South African organizations, and if detected, what suggestions can be made to get the anticipated results?

1.2 PURPOSE OF THE STUDY

The purpose of this study is to give a clear understanding of what labour participation implies in the process of bringing democracy to and implementing it in the workplace in the South African context. The researcher will also make suggestions to prevent and overcome problems that may stem from the implementation of labour participation. The primary aim have been expanded to six aims, viz. to ***practice*** employee participation in an organization; taking note of the ***dynamics, characteristics*** and ***perceptions surrounding*** employee participation; the key role of ***empowerment*** and the role of ***politics*** in the workplace. These concepts are discussed throughout the thesis. In Chapter 7, the six aims are recapitulated.

Supportive to the main purpose, secondary aims are set in expounding the primary purpose:

- To emphasize the practicing of employee participation within the organization as an open system and the effect of organizational theories on employee participation;
- To create a conceptual framework with the aim of classifying the field of employee participation;
- To identify main characteristics of legal and voluntary participative schemes, and how it can have the desired effects on economical competitiveness and healthy labour relations.
- To focus on empowerment as a key in successful workplace change and thus an important element in employee participation;
- To identify attitudes and perceptions towards labour participation to implement workplace change without serious disturbance to labour relations; and
- To make some suggestions in order to implement labour participation successfully to bring about healthy and stable labour relationships.

This study whishes to find out if labour participation as a form of social change is necessary, and whether it leads to any problems that might influence labour relations in a negative way.

1.3 METHOD OF STUDY

1.3.1 Literature study

The literature study is composed of a theoretical orientation of social change as seen by various authors. Out of this theoretical background employee participation and its impact on labour relations are studied as a form of social change.

As set out in table 1, the researcher used the following sources that include treaties, theses, articles (magazines and newspapers), seminars, textbooks and verbal information.

Table 1 Sources

Date	Articles & Seminars	Textbooks	Treaties & Theses	Verbal information	Total
Date unknown	0	1	0	0	1
1900 – 1949	0	2	0	0	2
1950 – 1959	0	1	0	0	1
1960 – 1969	0	4	0	0	4
1970 – 1979	1	19	1	0	21
1980 – 1989	8	29	2	0	39
1990 – 1993	23	38	2	0	63
1994	14	9	1	0	24
1995	29	5	1	0	35
1996	15	3	2	0	20
1997	10	5	1	0	16
1998	17	0	0	0	17
1999	5	0	0	1	6

A great deal of information comes from literature between 1980 until 1993. The theoretical part of the study rests on primary resources in addition with explanatory sources of information. The researcher focuses on the most recent available information on employee participation found in articles and seminars.

1.3.2 Empirical investigation

Empirical investigation with literature study as a basis has been done, in that relevant aspects have been investigated on all levels (workers- and management level) of a certain organization.

Questionnaires and a non-structured interview have been used. Because the population where the investigation has been done was spread over a big and geographically wide range, the researcher makes use of random tests.

The researcher made use of a personal interview, which is an effective method to obtain information quickly from unexpected reactions to questions. Non-verbal reaction can also be observed. Babbie

(1990:187) refers to the value of interviews as a method where information can be collected, because the researcher and the respondent are face to face during the interview.

According to Calitz (1996:7), one of the advantages is the flexible nature of interviews. This viewpoint is supported by Bailey (1982:182) who also believes that, with interviews, responses can be received over a shorter period of time than with questionnaires. However, Mulder (1994:15) shows that interviews are time consuming and therefore restrict the number of people that can be interviewed. For this reason the researcher has only used interviews to get information about certain aspects of participation and the organization where the investigation has been done.

Bailey (1982:156) identifies the following advantages of questionnaires, namely:

- Cost effectiveness.
- Questionnaires are less time consuming than interviews.
- The questionnaire can be answered when it is appropriate for the respondent.
- Confidentiality.
- Standardized phrasing.
- No personal prejudice on the side of the researcher.

In Chapter 6 the method of investigation will be discussed in more detail.

1.4 DESCRIPTION OF CERTAIN CONCEPTS

In this study certain primary terms are being used. To avoid any misunderstandings about the interpretation and meaning of these terms, the researcher wishes to give a clear description of the following:

1.4.1 Worker participation/ participative management

In this study the terms "worker participation", "employee participation" and " co-determination" are used interchangeably and carry the same interchangeable meaning throughout the thesis. The researcher has a preference for the term "worker participation".

Could worker participation be seen as a management philosophy? A philosophy gives rise to a basic idea and therefore it is different to give a universal definition of the concept. Pons (1993:4) defines participation as an approach to manage business in a highly competitive and industrialized/ post-

industrial economy. Through this approach, improved levels of productivity can be achieved, since all employees are more accountable for the decisions that are being made.

Democracy of decision-making was introduced as a compromise between the principles of self-management and expert-management. It was aimed at resolving (or at least easing) two problems: first, the conflicts between the few central planners and the numerous plant managers; and second, the conflicts within each enterprise (Heathfield, 1977:8). However, worker control was viewed not only as a means of resolving conflicts in an economically efficient manner – it was also regarded as an end in itself.

"Participation" is one of the most misunderstood concepts in industrial labour relations because people assign different meanings to it. Much of the confusion arises from the absence of a precise definition of the term "participation". Jain (1980:4) therefore makes a distinction between "worker participation" and "industrial democracy". He views industrial democracy as having broad social objectives, seeking to eliminate or restrict the rights of the dominant industrial hierarchy and calling for the restriction of management rights and the expansion of employee rights. The aim is to put political pressures on the state, making them more responsive to employee and union views for redesigning the total economy towards more socially oriented goals. This can be seen in the South African situation, where there is a definite relationship between COSATU, the ANC and the SACP (see chapter 5).

By contrast, Jain (1980:4) sees worker participation as a concept that deals primarily with the participation of workers in the management of the enterprise. Participation is thus a process by which employees can influence management's decision-making at various hierarchical levels in an enterprise. Salamon (1987:296) describes another view of worker participation, viz. as a philosophy or style of organizational management where the need and right of employees, individually and collectively are being recognized in areas of organizational decision-making.

Bailey (1975:35) emphasizes that participation means some kind of involvement of people who had previously been regarded as passive. There is an international shift from representative to participatory democracy along with the radicalization of political values.

Pateman (1992:67) refers to employee participation as follows: (it) "...consists basically in creating opportunities under suitable conditions for people to influence decisions affecting them.... Of delegation in which the subordinate gains greater control, greater freedom of choice, with respect to his own responsibilities.... where a sphere exist where two or more parties influence each other in making plans, policies or decisions."

The above definition excludes the following situations: where an individual merely takes part in a group activity; where the workers are merely given information on a decision affecting them before it is executed; where the individual is present at a meeting but has no influence.

McGregor (1960) and Likert (1961) created a continuum of situations to which the term participation can be applied, namely;

- A situation where subordinates can question management's decisions, and at the opposite end one where the superior is indifferent to several alternatives so that employees can choose between them;
- A situation of "little participation" where no information is given to employees, either about the current situation or in advance of proposed changes; and
- A situation where employees and management function as a group that tackles a problem and solves it, using the best available methods for group functioning (Pateman, 1992:67-78).

Authors such as Bendix (1996:552), Finnemore and Van der Merwe (1996:114) see collective bargaining as a form of worker participation. The whole point about industrial participation is that it involves a modification, to a greater or lesser degree, of the orthodox authority structure, where decision-making is the prerogative of management, in which workers play no part. In terms of the different levels at which employee participation can exist, Lawler (1986:28) identifies four processes, which influence participation. Coye and Belohlav (1995:7) give an explanation of these processes (see Table 2).

Table 2: Critical organizational processes of worker participation

Critical organizational process in terms of worker participation	Explanation
Sharing of information	The quantity of upward and downward flow of information
Training	Information and skills of specific issues and the undertaking as a whole
Decision-making	Type of decisions and the areas where decisions are being made
Compensation	Type of compensation which is being used within the undertaking

Source: Coye and Belohlav (1995:6)

The advantages employee participation in decision-making holds for the workers in particular, or for society in general, seem vague and uncertain. According to Heatfield (1977:12), welfare might be improved simply be reallocating the power of decision, even if the decisions remained the same. Participation not only refers to a method of decision-making, but also covers techniques. According to Pateman (1992:68), participation can be used to persuade employees to accept decisions that have already been made by management.

1.4.2 Labour relations

There are numerous notions regarding the concept of labour relations. Therefore a single definition of this concept is impossible. Even the appellations bring problems. But although different opinions exist about labour relations, the researcher will use the term labour relations in this study. The purpose of striving towards healthy labour relations, is to secure "labour peace", which is a stimulant for economic growth. The underlining motivation is that labour unrest prohibits labour from functioning effectively. It curbs economical growth and the optimum welfare of the society cannot be maintained.

Sheppard, as referred to by Slabbert (1987:3), stresses in his definition that labour relations have to do with inter-group relations rather than with inter-personal relations. Sheppard states as follows: "Human relations is the scientific and systematic study of inter-personal dynamics related to maintenance of industrial peace, whereas the industrial relations is the study of inter-group dynamics related to the maintenance of industrial peace; these inter-group dynamics are formalized into an industrial relations system." In the light of different opinions about the term "labour relations", it is necessary to look at some definitions in order to get some idea of the meaning of the term.

Bendix (1996:4) describes labour relations as a study of:

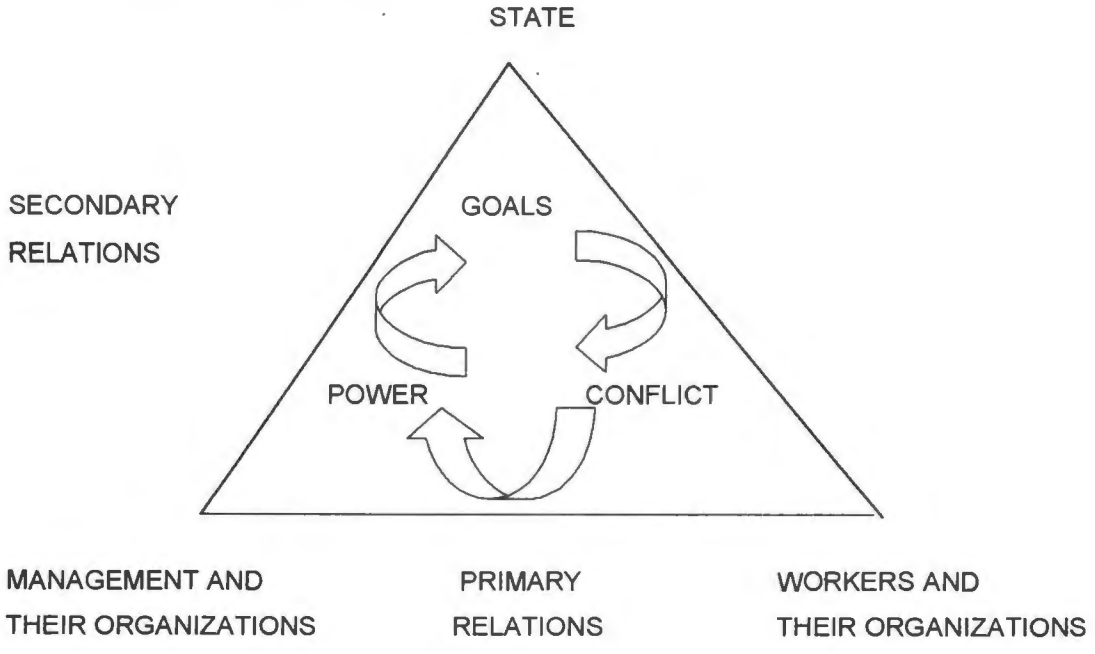
- relationships
- the work situation and working man,
- the problems and issues of modern industrialized and industrializing society; and
- of certain processes, structures, institutions, and regulations.

He goes further by saying that this relationship is being regulated on a collective basis and that the nature of the rules and regulations will depend on the nature of the relationship itself.
Margerison (1979:274) sees labour relations as the study of people in a situation, organization or system interacting in the doing of work in relation to some form of contract either written or unwritten. It must be remembered that labour relations can be studied from different perspectives and is thus

inter-disciplinary. According to Calitz (1996:9), the historical contexts must be taken into consideration when looking at the description of labour relations. It is important when one looks at the political role that the black unions in South Africa play. In this study the historical context and its impact on the relations between management, union and the government is going to be investigated to determine how it affects worker participation.

Mulder (1994:19) is of opinion that labour relations refers to the relationship that develops between the primary parties, management and the workers, with the State filling the role of regulator and protector of this relationship. Mulder states that labour relations function around inter-personal and inter-group relations within the working environment. Labour relations cover all forms of economic activity or production and all forms of labour relations regardless of the presence, absence or variety of formal organizations (Farrell, 1977:19). A definition of labour relations that was popular until recently, was that labour relations should be seen as the bilateral monolithic struggle for power between labour and management (De Villiers, 1982:36). Van Wyk (1987:1) refers to the fact that it is important to see that labour relations are vested in mutual "rights" and "obligations". This can be seen in Figure 1 where the tri-partite relationship between the employer, employee and the state is shown.

Figure 1: The tri-partite character of labour relations



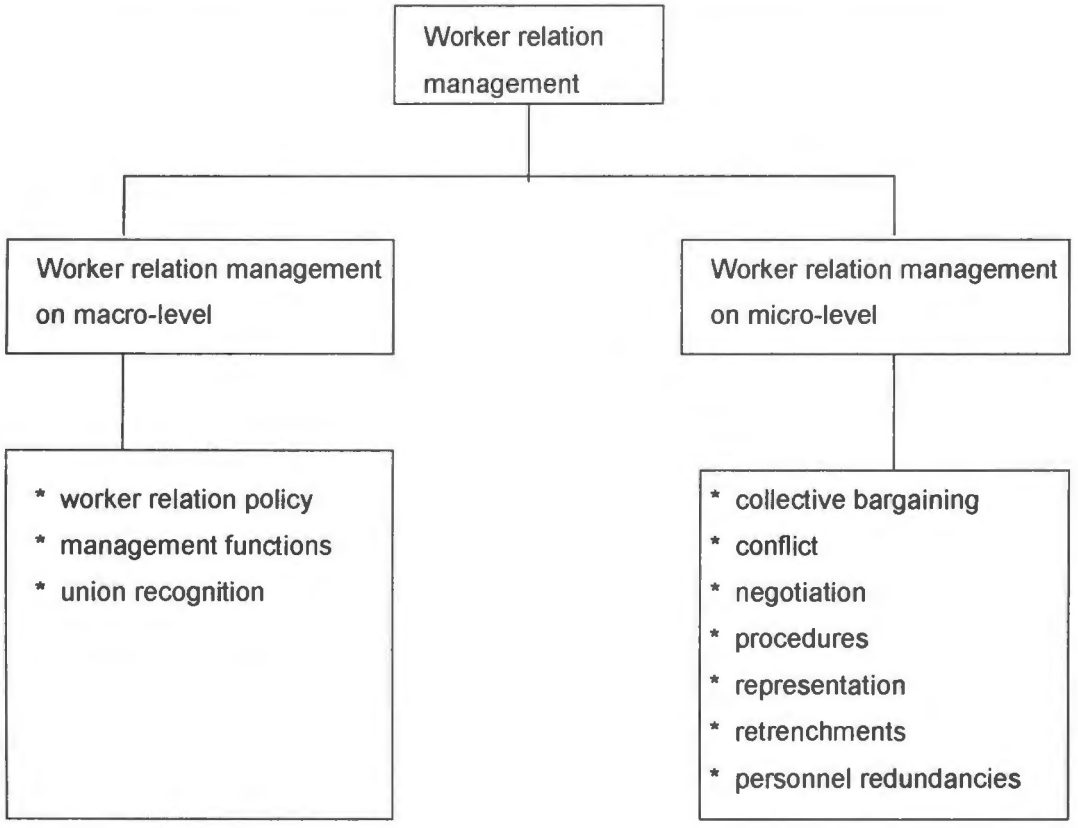
Source: Adapted from Finnemore & Van der Merwe (1996:18)

Keeping the previous definitions in mind, the nature of labour relations can been seen as follows, according to Slabbert (1987:5):

- Labour relations have to do with tri-partite relations between management/ employer, the union/ employee and the state.
- Inter-group relations form the core of labour relations.
- The fundamental purpose of labour relations is to obtain "labour peace" that will lead to a stimulation of economical growth. These include a co-operation between the different parties within certain rules and regulations to handle conflict situations effectively; and
- It can be said that labour relations is the study of the implementation, development and preservation of an acceptable, mutually profitable interaction system between management and the workers under the guardianship of the government.

It must be remembered that labour relations function on two levels, namely macro- and micro-level. The diagram in figure 2 demonstrates this.

Figure 2: The differentiation between worker relations on macro- and micro-level.



Source: Adapted from Moolman (1993:10)

Pons (1993:23) refers to aspects that influenced labour relations in South Africa during the nineties such as:

- affirmative action
- levels for collective bargaining
- training and development
- corporate culture
- discrimination
- white resistance
- social responsibility

Power (1990:74) gives the following factors that should be considered in any attempt to develop and maintain a viable labour/ management relationship:

- The parties involved must accept each other's continued existence.
- The parties must accept and understand the strengths, weaknesses and differences that both management and labour bring to the process.
- The parties must develop a structure so that meaningful changes may take place.
- This structure must allow union/ management input so that meaningful results may develop.
- The parties must develop the lost concept of trust; and
- The bargaining process must be restructured so that the problems of today can be solved.

1.4.3 Co-determination

Co-determination is often confused with worker participation, or seen as equivalent to worker participation. In this study the researcher is going to investigate the difference between these two terms, and what people understand by them. It is therefore most important to look at this term and its meaning. Some authors say that co-determination is the process where labour and management should jointly solve problems of production.

Co-determination can be seen as a form of accommodation between management and labour at the workplace. It presupposes on the one hand that unions have to come to terms with capital management and on the other hand the recognition of a unionised workforce who makes its interest heard at the workplace. Under these circumstances co-determination can emerge as a *modus vivendi*, an arrangement between management on the one side and labour on the other.

Streeck (1994:87) defines co-determination as " ... the collective participation of workers in the management of the workplace, or in the management of production. Issues affected by co-determination include the deployment and re-deployment of labour, the hiring and firing of workers, the organization of work, technology, the restructuring of the enterprise, and training and re-training issues. The issues usually come up in societies where there is a co-determination system."
The assumption can thus be made that co-determination limits managerial prerogative. This involves the following:

- Providing information to representatives of the workforce;
- Consulting with workforce representatives – to ask for proposals, counter-proposals and listen to alternatives; and in some systems
- Achieving consensus with the workforce.

According to De Villiers (1999), co-determination gives workers the right to have a say in how the capital should be distributed and managed whereas employee participation refers only to workers participating in decisions that concern their direct working conditions, for example working hours, safety etc.

1.4.4 Social change

Organizations function in an ever-changing environment. It is therefore important that an organization that wishes to be successful and wishes to survive should adapt to changes in the environment. It is important to remember that the concept "environment" does not only refer to the society as a whole, but also to the political sphere, economic climate and changes in the perspectives, values etc. of the shareholders.

Worker participation can therefore be seen as a form of social change that is the result of changes in the political sphere and changes in workers' perspectives and expectations. If the organization wishes to survive these ever-changing demands from its environment, it should be able to accept and adapt to these changes. (During the study, the researcher will look at the demands on management, unions and individual workers, flowing from changes that are being brought on by the implementation of employee participation, to adapt effectively).

Gerber *et al.* (1995:399) is of opinion that people tend to resist change, since change brings with it a feeling of uncertainty and insecurity. This can bring about conflict in the organization.

Communication and training are the lubricants that facilitate change and make it possible for change to occur in an atmosphere of understanding.

The researcher is therefore of the opinion that management, workers and unions should be educated and trained on the meaning of the term "worker participation" in order to adapt to the changes that it brings. This will ensure that participation will be implemented and function successfully in the long run with less problems in the organization.

Change can therefore be seen as the adaptation to demands from external and internal demands or as an initiative in anticipation of future developments, in such a way that the efficiency and competitiveness of the organization will be improved (Snyman, 1997:9).

1.4.5 Works council/ workplace forums

During the study, the researcher found that there are two concepts of employee participation, namely works councils and workplace forums. The latter is the concept being used recently in the organizations in South Africa, although it has the same meaning as works councils. Both concepts will thus be used in the study.

Anstey (1990b:14) refers to the definition of Schrengle (1987) of a works council as follows: "...not a joint body but consists of elected workers' representatives only. It is an instrument for labour-management co-operation and has both advisory and collective bargaining functions of the trade unions ... it must not bargain on remuneration and other conditions of employment which.... are normally fixed by collective agreement between trade unions and employer associations."

Works councils appear to be the most prevalent form of worker participation in management, according to Jain (1980:50). Works councils are joint labour-management bodies that operate mostly at the plant or enterprise level. Their objectives are:

- to promote co-operation in the undertaking;
- to encourage greater productivity; and
- to give employees a say in matters that concern them.

Gabler (1977:8) therefore asks the following questions concerning works councils:

- How will the aims of workers be changed under this system?

- Will there be an unholy alliance between capitalists and workers within each industry, at the expense of consumers on the one hand and potential workers on the other?
- To what extent will macro-economic control be altered by this form of participation?

1.4.6 Workplace democracy

The concept of workplace democracy that exists in a particular country will determine the degree and type of workers' participation. The perception of the term "democracy" is based on sociopolitical and economic ideology, the origins and growth of the labour movement, the amount of power that is wielded by labour, social and political goals and the degree of government's role in industrial relations (Bendix, 1992:140).

Participative management and a democratic style of management are synonymous. The aim of both is to draw individual employees into the problem-solving, decision-making process, to involve them and to integrate them.

"A democratic style of management is a policy that is developed through group discussion, where the leader listens to the suggestions of followers, and when he makes suggestions, he provides alternatives. The leader is objective in his praise and does not focus on personalities, but provide his followers with sufficient information and encourages them to make their own decisions." (Kemp, 1992:9).

According to Parkin (1986:32) the ideal type of workplace democracy is the "...absence of property-owning or exploiting class, and the absence of those gross inequalities of wealth that concentrate power in the hands of the few at the expense of many".

Hyland (1995:36) states that the term "democracy" nowadays is not so much a term restricted and of specific meaning, as a vague endorsement of a popular idea. The result is theories and practices that are often deeply inconsistent. In light of this, one is tempted to abandon the term as corrupt. But this would be unwise, since the term is embedded in contemporary political discourse and has become a part of contemporary political debate.

Hyland (1995:40) goes further by saying that he finds a problem in the dictionary definitions of the term "democracy" which identify with rule by people. The term "people" refers to a group of people that can engage in certain types of activity. Can a group of people in a political community be capable of ruling in a collective sense?

To rule implies exercising decision-making power from a position of authority. If one talks about a single person one can understand what decision-making involves. But can a group of people decide? For a disagreement on certain issues will exist in some degree.

Democracy implies certain freedoms, such as the freedom of association, as well as principles of equal opportunity. It is not a particular type of authority structure but the general "climate" that exists in the enterprise, a "climate" that is created through the method of approach, or style, of the supervisor or management.

Pateman (1992:3) sees democracy as a "...political method, that is to say a certain type of institutional arrangement for arriving at political – legislative and administrative – decisions". Through these institutional arrangements individuals acquire the power to decide by means of a competitive struggle for the people's vote. He goes further by saying that the main requirement for democracy is the existence of an opposition. The opposition is created by the trade unions with the employers (management) performing the role of "government". But he also makes the analysis that the terms "participation" and "democracy" cannot be used interchangeably as they are not synonymous. For " ....not only is it possible for partial participation at both management levels to take place without a democratisation of authority structures, but it is also possible for full participation to be introduced at the lower level within the context of a non-democratic authority structure overall."

1.5 DEPLOYMENT OF THE CONTENT

In Chapter One the purpose of the study and method of research is discussed. Certain definitions/ descriptions of core concepts that will be used throughout the study will be given.

In Chapter Two labour participation as a form of social change and the concept of labour relations will be looked at in terms of theoretical perspectives and approaches.

In Chapter Three a conceptual framework of labour participation will be provided, to clarify what it implies.

Chapter Four will focus on the implementation of labour participation through different schemes. The participative schemes will be analyzed in terms of their effectiveness in different situations.

Chapter Five focuses on labour relationships in the new South Africa and what effect employee participation as a form of social change has on labour relationships. The purpose is to identify problems that develop and how they can be resolved.

In Chapter Six the findings of the empirical research will be analyzed and discussed.

In Chapter Seven some recapitulative assumptions, suggestions and remarks will be made.

1.6 PROBLEMS EXPERIENCED DURING THE STUDY

The researcher experienced difficulty in getting textbooks on worker participation in South Africa, as well as recent articles on employee participation. The primary reason is that worker participation is still a new concept in the South African workplace situation, although some forms, for instance quality circles, have been familiar to organizations for quite a while.

The practical research was done in an organization where the researcher was not employed and did thus not have sufficient access to the workforce to co-ordinate and facilitate the research. This factor complicated supervision over the conduct of the questionnaires. Limited time also restricted efficient research in the organization.

CHAPTER 2

THEORETICAL PERSPECTIVES AND APPROACHES ON THE APPEARANCE OF CHANGE THAT LEADS TO WORKER PARTICIPATION AND LABOUR RELATIONS

2.1 INTRODUCTION

Labour relations is composed of a conglomerate of various aspects with regard to the relationship that exists between the parties concerned. Therefore in this study, one of the core issues that will be examined is how the effect of changes in the political sphere influences the workplace. It is important that the organization should define strategies and processes for planning and implementing changes.

What leads to this change in the social environment that has an impact on the workplace? Different theories and perspectives give various reasons why social change develops and why it has an impact on other spheres of society and on the individual. One can look at these perspectives and theories to get a greater insight as to why organizations cannot adapt to these changes. For if organizations are not able to adapt to changes, it gives rise to conflict between parties in many instances.

Hough (1988:20) states that social change is a process whereby the individual, the society as a whole and entities change so that these aspects adopt a modified form. She is of the opinion that it is a spontaneous succession of events that leads to alterations and rearrangement.

According to many authors there is never a time during which the organization stagnates, because it functions in a dynamic environment. Social change can have a negative implication if its effect is incorrectly managed. But social change can be a source in the achievement of the goals of an organization.

To understand the effect of worker participation on labour relations as a form of social change, appropriate theoretical approaches and theories will be looked at, for theories are a general explanation for social phenomena (Wallace and Wallace, 1989:13). Theories can be used to analyze social events. Various theories can be relevant for a long period of time and therefore no theory has a sole claim on the truth, but each theory is valid on certain grounds. Changes have an effect on the values, attitudes and behaviour of each individual in the organization.

Employee participation as a form of social change has a noticeable influence on the individual worker and organization as a whole, and this will eventually lead to changes in the worker-management

relationship. To place this effect of employee participation in perspective is it necessary to investigate the system of which it is part. The labour relations system will therefore be discussed from certain perspectives.

2.2. SOCIAL CHANGE

"Social change is usually taken to mean progress, and development is a euphemism for this." (Bailey, 1975:44).

Harper (1993:4) defines social change as the significant (largely in the eye of the beholder) alteration of social structure (interaction between individuals or groups) and cultural patterns (symbols, language, beliefs, etc.) through time.

As previously mentioned, the external environment is the primary cause of changes in the organization. Changes in the political, economical, social and technological spheres result in changes in the organization as well. Through the process by which the organization adapts to these changes, negative perceptions and attitudes may result that can have negative implications for labour relations. These negative perceptions and attitudes are, according to the researcher, the consequence of the lack of knowledge and information about the changes being incorporated.

Socio-cultural perceptions and attitudes are being incorporated in the workplace from the society within which the individual worker lives. Whatever exists in a specific culture or society is reflected in the workplace.

Harper (1993:5) makes the following clarifications of changes:

- Change in personnel, in which new people with different life histories and experiences are continually entering and leaving established structures;
- Functions of structures, in terms of how they operate;
- Changes in the relationships between different structures; and
- The emergence of new structures.

2.3 CAUSES FOR CHANGES IN THE ORGANIZATION

In this study the researcher points out only three causes for changes in the organization that can give rise to the implementation of worker participation. Pressure on organizations to adapt to changes come from an external environment, like the political and economical spheres, and the internal environment, e.g. worker productivity and attitudes towards labour relations, and changes in the decision making and communication structures in the organization.

A distinction can be made between external and internal causes of change (Harper, 1993:7).

2.3.1 Political changes

Change in political ideologies in South Africa has brought with it tremendous changes in economical structures and laws. This also demanded changes in attitude, values, norms and frameworks of the individual worker, unions and management (Moolman, 1996:70).

According to Kruger (1991:76-77), the political environment is unpredictable and uncontrollable and the onus is on the organization to ascertain itself with the government's outlook on the following points (Chapter 5):

- The economy, education, relationship between different groups and defense;
- Recognizing the organization as the core of the capitalistic order;
- Free and private enterprise;
- The government's effort to direct the country in a certain direction through varying legislative measures;
- Legislation which is implemented to serve the society as a whole; and
- Implementation of the labour legislation and industrial council.

As seen on the next page, Zaaiman (1990:35) gives an overview of the political environment in South Africa as set out in table 3:

Table 3: Overview of the political environment in South Africa

OPPORTUNITIES	THREATS
1. Stable government with the ability to change	Ethnic division and sub-division
2. Representation of the public sector	Cultural and social differences
3. Strong privatisation	Regional division
4. Industrial privatisation	The gap between wealth and poverty
5. Strong defence force	Industrial nationalisation
6. Awareness of whites	Defence force equipment in the fleet and air force is old
7. Increasing of black people's faithfulness in their duty	White fear black domination
8. Appearance of a black middle-class	Unemployment
9. Diplomatic and determined president	Urbanisation
10. Regional service councils	Resistance to change
11. Transfer of power	Loss of power of conservative voters

Because of the political alliances between unions, they play an important role in South Africa in bringing about changes in the workplace. In this study, the relationship between the government since 1994 and the unions will be investigated, as well as the role of unions in the future, specifically concerning the implementation of employee participation in the workplace.

2.3.2 The economical environment

The core reason for changes in the macro-economical environment is changes in the economic environment. Apart form political factors that can determine the economical growth in the future, there are aspects like unemployment, capital intensity and income distribution that must be taken into account (Robbins, 1988:436).

Kruger (1991:67) points out that inflation and recession make realistic determination of profits difficult. This leads for instance to high unemployment rates, a decline in the income of the consumer and a general feeling of uncertainty.

What role does uncertainty play in the implementation of worker participation? According to the researcher the individual worker in South Africa is primarily concerned with job security and his income. Most of the conflict in the workplace can often be linked to uncertainty about job security and

prospective income of workers in an organization. Workers can feel that the more they obtain a say in the decisions, the greater the influence they can influence on the workplace and thus have greater control over unstable and insecure situations.

2.3.3 Social change

As mentioned in the introduction of Chapter 1, the culture of black South Africans insists that co-determination is necessary to make sound judgments and decisions and that the perception of exploitation that emerged from the "apartheid" era developed a need for recognition in all spheres.

Development in society brings forth a need for structures and processes that will help to increase the standard of living and quality of life of the people in order to handle economic, welfare and physical desires effectively (Hough, 1988:29-30). The assumption can therefore be made that employee participation can produce the above, in that workers will have more control over the distribution of wealth and this will also bring about a higher self esteem for the individual worker. The researcher is of the opinion that if the desires of the individual are not being satisfied, it will be difficult for him/ her to move to a higher level of development (see Maslow's theory paragraph 2.8.3.1).

2.4 THEORIES OF CHANGE IN THE ORGANIZATION

Evolutionary theories were characterised by implicit or explicit notions of progress (see Bailey 's (1975) definition of social change in Chapter 1).

2.4.1 Equilibrium theory

The researcher believes that the equilibrium theory is one of the main causes, if not the primary cause of the evolvement of worker participation. The continuous desire of individuals to be equal in all spheres of live is the driving force behind change. This is evident in South Africa where coloured people strive for equality with whites, women strive for recognition in the economic sphere and laws are implemented to bring equality to the workplace for disabled people etc.

People will enter relations of exchange voluntarily only if they anticipate an acceptable rate of exchange. Enduring relations settle at a rate of exchange more or less satisfactory to all parties. This exchange rate is determined mainly by supply and demand (see Dunlop's system theory, paragraph 2.7.1). According to Wilson (1983:27), a relationship of exchange forms between expert workers and less experienced colleagues, in which advice and assistance are being exchanged for respect and compliance.

"The exchange relation settles at that point where the last unit of advice was worth more to the non-expert than the self-abasement it cost him, and the last unit of flattery was worth more to the expert than the time he spent giving the advice. The rate of exchange could be altered at any time by a change in demand or supply. The cost of advice would diminish if the proportion of experts increased and advice became plentiful. The cost of advice might also fall if the non-experts formed a coalition to make flattery scarce." (Wilson, 1983:27).

Homans, however, (1950:252) is of the opinion that the rate of exchange is not only determined exclusively by supply and demand. Ideas about what is fair and just can also influence the exchange rate. Such ideas derive from a comparison the individual makes between himself and other people and the comparative effort they put in to reach the same goal. In other words, the individual wishes to feel he is being treated equally.

On this point Wilson (1983:27) says, "Equity exists when the ratio of input to outcome for participants in an exchange relation is equal to the ratio for other people involved". Thus, a worker's satisfaction will depend less on whether he/ she is being paid the same as their fellow workers. But being paid in relation to their expenditure of effort, and at a ratio that is the same as that of their fellow workers, is important. Satisfying relationships require that both parties believe they enjoy equity, but they need not share equity judgments. One party might see the exchange as equitable, the other inequitable.

Hand in hand with the theme of democracy goes the search for a more equitable and acceptable relationship between the employer and employee. The researcher studied the article of Schuitema (1995) where the latter found that the assumption is being made that power in the workplace is not legitimate if one desires equitable relations. This brings forth the following problem:

The relationship between the employer and employee is a relationship of power, where one party is superordinate and the other subordinate. Schuitema (1995:15) thus asks: Under which conditions does it become legitimate for one party to be superordinate and another subordinate in a relationship? In other words, as the researcher sees it, do equitable relations imply no power?
One can start with the question: What is the reason for power in a relationship? According to Schuitema (1995:15), it is like parenting, and he says the following: "...the parent, or powerful party, has a very particular job to do which is to care for the child so that he or she can grow big." Therefore the assumption can be made that the need for power is to empower.

If a party in a relationship is extremely dependent on the other, an imbalance of power prevails. The "principle of least interest" will therefore determine who has the most power in a relationship (Wilson, 1983:29).

In the light of the previous statement, a number of problems arise when one reviews the issue of democratization. Many people make the assumption that democratization or equality in the workplace implies that no one really should have power over another. The researcher discovered that empowerment implies a process and therefore one does not start with equality between the superordinate and the subordinate. One starts with inequality. Thus, the more powerful party does not make the less powerful one powerful overnight.

"Power cannot empower if you commence with the equality of the subordinate and the superordinate because the result is like the democratization of the classroom where it is no longer the teacher who beats the children; it is the children who beat the teacher!" (Schuitema, 1995:16). This leads to the situation in many organizations in South Africa where democratization had been implemented at too fast a rate, causing chaos.

A comparison can be made between democratisation and autocratisation, since both can lead to the disablement of the subordinate. In the case of democratisation the assumption is being made that the "child is mature enough and so one lets go of his hand, while standing on the other side of the room". In terms of autocratisation "one never lets go of the hand of the child, the result being that the child never learns to walk on his own and never matures." But how can empowerment be achieved and disablement avoided?

The point here is that empowerment takes time. If you "let go of the child's hand, you stand close by so that if he should fall, you are there to help. Then you take a step further back, and so on" (Schuitema, 1995:17).

Van der Merwe's (1994a:200) answer to orderly co-operation and mutual support is found in:

- **The value system** that is shared by the various actors. This system unites and ensures that there is commitment to communal values that result in consensus among the actors as regards the objective that is being pursued, and this leads to orderly co-operation. Actors adjust their behaviour according to institutionalized value patterns; and
- **Social equilibrium** is a phenomenon of the following kind: where there is any change in one part of the social system, adjustive changes in the other parts will occur.

Hyland (1995:14) asked the following: If real equality of opportunity is to be achieved, should members of a group which had been disadvantaged and subjected to discrimination for generations be given a head start by positive action programs? Or would this lead to subjecting other people to unequal treatment simply because they had been born in a group whose members in the past have been positively advantaged? Hyland therefore suggests that equality should be interpreted in relation to need-satisfaction of people. Are people being treated unequally if they are not provided with everything that they need? How does one measure degrees of need-satisfaction?

The assumption can thus be made that the idea and the ideal of equality are profound and complex and should be seen against the background of a society and culture. It is also necessary to remember that equality must be equality in rights.

Although the concept of equilibrium is primarily found in the work of authors such as Durkheim, Comte and Spencer, Cuff and Payne (1979:39) believe that Parsons actually included the idea of equilibrium in his theoretical framework.

2.4.2 Talcott Parsons

Parsons (Van der Merwe, 1994a:187) reject utilitarianism (paragraph 2.6.1) for it typifies individuals as free, rational beings who constantly compete with one another for the acquisition of scarce goods. According to Parsons, people are irrational and strive towards their goals in an unregulated and random way.

Parsons made the following assumptions:

- People participate subjectively in decision-making; and
- These choices are not made in a vacuum. The choices are socially determined and thus the striving towards goals is not totally divergent by nature, but tends to be convergent.

In Parson's analysis he identifies an actor, who can either be an individual person or a collective body as an entity, who strives towards specific objectives, and by striving toward these objectives he/ she is confronted by a situation. This situation consist of the following:

- The means that are used by the actor to attain the objectives; and
- Circumstantial factors that may influence the choice of the means and the pursuit of the objectives.

The norms, values and ideas in the social system influence the subjective choices made by the individual (Van der Merwe, 1994a:190). An interaction exists between actors, who develop organized patterns of interaction. These provide guidelines for the way in which these actors should perform, as well as expectations of the performance of actors with whom they interact. Parsons refers to this network of interactions as the social system.

This social system revolves around relationships between individuals and collective entities. Each actor fulfills a role to which normative prescriptions are ascribed. This role is regulated by norms within the framework of cultural values, ideas and symbols. The actor's voluntary subjective process of making choices creates the impression that people are dealing with a mind or consciousness that interacts autonomously with the decision-making process.

This is problematic when the actor can be a collective entity or community as well, as to how a consciousness enables them to evaluate various options. Van der Merwe (1994a:191) therefore sustains that there is no possibility of real, independent creative decision-making. It is clear in Parson's theory that decision-making is regulated by external normative standards and by situational constraints. The extent to which there is a real voluntary process of making choices is thus uncertain.

Through the process of socialization the individual accepts the cultural values of a particular society. These values largely determine the objectives that are to be pursued by the individual and also the means that will be used to attain them. A distinct relationship can be seen between the social system and the systems of personality and culture. The personality culture is responsible for motivation while the cultural system presents shared cultural values. The motivational aspect refers to the actual or potential gratification or deprivation of the actor's need-dispositions (Van der Merwe, 1994a:192).

The process of institutionalisation develops as role expectations and the pattern of interactions are stabilized. These roles or status-relationships are of strategic structural significance in the social system. Parsons identifies problems that have to be solved so that the state of equilibrium within the system can be maintained. The problems are:

- **Adaptation** of resources from the environment in order that the system realise future objectives;
- **Goal-attainment** refers to the way in which the action within the system is aimed at the effective implementation of certain objectives; and
- **Integration** is a function to create coherence and solidarity between the elements to prevent internal conflict and tension form tearing the system apart (Van der Merwe, 1994a:196).

The flow of information and energy between the various systems gives rise to social change, and Parsons has identified four processes of change:

- The process of differentiation, where the roles of participants have become specialized;
- The process of adaptive upgrading through which objectives can be reached;
- The process of inclusion where previously excluded groups are given the opportunity to contribute to the functioning of the system; and
- The process of value generalization where the diverse objectives and values of the complex society are able to exist freely (Steyn & Van Rensburg, 1985:29); (Wallace & Wolf, 1995:30-31) & (Layder, 1994:16-18).

The process of workplace democracy in South Africa is characterised by several tasks. The emphasis falls on methods that focus on making the workforce more responsible and more involved in the work processes, so that they have the opportunity to influence it directly. In this way co-operative decision-making and management democracy can realise. A new era for worker participation in South Africa has been implemented by the changes in the Labour Relations Act (Act 66 of 1995, Sections 78-94). The management approach and -processes have to adapt to realise workforce empowerment and participation in decisions. Therefore the model of Parsons is applicable to the current context of the organization.

2.4.3 Emile Durkheim

Durkheim believed that society placed constraints on the individual, but it changed over time in order to allow the individual more freedom. According to Durkheim a society or group is bound by solidarity. Social problems are therefore seen as an indication of an unstable society, because there is no binding force. In a capitalist society, social integration is prevented and necessitates the existence of a strong state to counterbalance individualism and selfishness (Gelderblom, 1994:102).

Durkheim distinguished between two types of solidarity according to Gelderblom (1994):

- Mechanical solidarity is based on the similarity of individuals where society cannot tolerate people who do not conform and are therefore punished; and
- Organic solidarity is based on the differences between individuals where people complement each other because of their differences. These differences arise because people occupy different positions in the division of labour. The people thus become interdependent on each other. The wrongdoer is not punished, but rather seeks to restore the previous state of affairs of the victim.

Gelderblom (1994) describes that Durkheim believed the scope of individualism increases as individuals acquire more freedom and autonomy, and that is how the society develops. Durkheim believed that interest of the parties is not enough to explain the maintaining of co-ordination of modern society, for today it may be in the interest of a party to co-operate, while tomorrow it might not. The absence of moral regulation is an important source of disorganization in modern societies.

The researcher questions the validity of Durkheim's theory that people's desire for individualism grows with freedom and autonomy. In the South African context, coloured people believe that decision-making can be more effective in a collective way, than done by an individual. Especially in South Africa, individualism may be seen as equal to capitalism and the prerogative of only one person to make decisions.

Negative solidarity is what keeps different functions from conflicting with one another. Gelderblom states that Durkheim believed that individuals would cease to participate in some activities belonging to the free-market philosophy if they no longer profited personally from them. Then exploitation would not take place. Some people enter the market in such a disadvantaged position that they are forced to accept a particular employment contract in order to make a living, whether it is profitable or not.

2.4.4 The Marxist perspective

Marx argued that the forces of production are central in shaping society and social change. Structured relationships relate to methods by which goods and services are produced. Thus economic classes form the basic anatomy of society, and other subjects (ideas, ideologies, values, political structures, and so forth) arise in relation to them. Changes in these economic forces (technology) erode the basis of the old system of economic relationships and classes, and open new possibilities (Harper, 1993:65).

As the economic and structural biases of society changed, new political forms emerged (parliamentary democracy), as did new cultural values and ideologies, which were consistent with the emerging system (for example political freedom; the "virtues" of the free enterprise). Marx argues that, as capitalists exploit workers increasingly to compete intensely for profits, tension will rise that will lead to workers taking over the economy and reorganizing it in their own interest, thus ending the domination of the capitalist and the capitalist system.

The researcher is of opinion that much of the tension between the workforce and management is not the result of exploitation by management, but rather stems from a mutual lack of interest in each other's needs.

2.4.5 Ideologies/ value systems as determinants of change

According to Harper (1993:68), an ideology (value system) is a more or less organized combination of beliefs and values that serves to justify or legitimise forms of human action (for example, democracy, capitalism, and socialism).

Harper (1993) states that Max Weber observed that industrial capitalism developed in regions with the heaviest concentrations of Protestants. The values of Protestantism and more specifically Calvinism and related religious groups produced a cultural ethic that sanctified work and worldly achievement, encouraged frugality, and discouraged consumption. This encouraged the development of large pools of capital and rational reinvestment and economic growth.

The assumption that is being made is that values and beliefs, both religious and secular, can have a decisive impact on shaping social change. Pervasive cultural ideas, values and ideologies that have broadly shaped the directions of change in the modern world can be referred to in these terms as:

- Nationalism: the ideology of a particular identity and community of a people based on shared history, culture and language;
- Capitalism: the emphasis is on the positive benefits of pursuing one's private economic interest, competition and free markets that are minimally subject to community and state regulation; and
- Marxism: a universalistic world ideology in combination with particularistic nationalist ideology that has been a powerful force for change.

The researcher would like to highlight the point that, while a set of ideas and values can promote change at one time and place, it can also retard change at another. For instance, the ideology of the virtues of the free enterprise system is often a conservative ideological system, which serves to defend and justify the existing economic system and which resists attempts to alter it in fundamental ways.

"Afrikaner Calvinism may have been a religious doctrine potent with implications for change in its original setting, but in its South African context, it had become a conservative force, which justified continued domination by the white minority and the apartheid system. Thus ideas and ideologies bear no determinant relation to change" (Harper, 1993:70). The ideas, values and ideologies used in particular social contexts determine the degree of change that will occur.

According to Harper (1993:71), a value system can cause change in at least three different ways:

- It can legitimise a desired direction of change. It would be more difficult to promote change in a state of America where it would deliberately result in less equality or less democracy, than it would be in a country like Yugoslavia.
- It can provide the basis for social solidarity necessary to promote change, especially in times of war; for instance, justifying and promoting war as a holy crusade and a defence of democracy.
- It can highlight contradictions and problems. American cultural values about equality of opportunity have highlighted problems such as racism and sexism and have been the organizing rationale for social movements and official policy directed at those problems. Changes often take place as an effort to resolve or reduce contradictions.

The researcher agree with this theory in that change in values and ideologies during the last decade in South Africa brought along dramatic workplace changes, for example affirmative action and equal opportunities for woman and disabled people.

2.5 THEORIES OF DEMOCRACY

The theory of participatory democracy stands or falls on two hypotheses - the educational function of participation and the crucial role of industry - and attention will be focused on these. A major point of dispute in the theories of democracy is whether industrial authority structures can be democratised.

2.5.1 Jean-Jacques Rousseau

Jean-Jacques Rousseau (Pateman, 1992:22) argues that a society is made up of small, peasant proprietors, where economic equality and economic independence exist. He states that differences that do exist do not lead to political inequality. If no citizen is rich enough to buy another, and none so poor as to be forced to sell himself, equality and political independence exist. Interdependence should however exist, for each individual would be powerless without the co-operation of all the others. Rousseau thought that the ideal situation for decision-making was one where no organized group was present, just individuals, because the former might be able to make their particular wills prevail.

Participation for Rousseau is thus:

- the making of decisions and
- a way of protecting private interest and ensuring good government (Pateman, 1970:22-24).

As a result of participating in decision-making, the individual is educated to distinguish between his own impulses and desires and he learns to be a public as well as a private citizen. The process of participation becomes self-sustaining because the individual will eventually come to feel little or no conflict between the demands of the public and private spheres.

Pateman (1992:26) sees Rousseau's participation also as increasing the value of one's freedom by enabling one to be (and remain) one's own master. He goes further by saying that the participatory process ensures that, although no man or group is master of another, all are equally dependent on one another and equally subject to the law and the decisions. The individual will more easily accept collective decisions. Participation has another function, in that it gives a feeling of "belonging" to the individual in his community. The researcher is of opinion that this viewpoint supports the statement of Schuitema (1995) (paragraph 2.4.1).

With respect to a particular group of people, democracy requires that:

- a group will not be subject to any external authority;
- since participation in the exercise of authority is in itself a criterion of internality, each member of a group that is democratically organized must have rights of participation, otherwise the non-participants become subject to an external authority, with whom they are not identical;
- participation in the exercise of authority is subject to differences of degree;
- the closer the approximation of the final outcomes, the higher the degree of democracy and the closer the approximation to political equality and equality of power in the determination of the final outcomes, the higher the degree of democracy; and
- It should be noted that there are two dimensions to effective power: the procedural and the extra-procedural (Hyland, 1995:53).

As far as the researcher is concerned, Rousseau's theory emphasizes not only the key part empowerment plays in workplace change, but also that empowerment is an important element in employee participation (paragraph 5.6.3).

2.5.2 John Stuart Mill

"Echoes of the utilitarian view of the purely protective function of participation can be found in Mill's theory". (Pateman, 1992:28-33). According to Mill, the greatest dangers to democracy lie in the interest of the holders of power: it is the danger of class legislation. Mill focused firstly on how government promotes good management of the affairs of society by means of the existing faculties, moral, intellectual and active, of its various members.

Pateman (1992:28) states that Mill perceived the government as a "great influence acting on the human mind" and the criterion to be used to judge political institutions by the degree in which they promote the general mental advancement of the community. As in the theory of Rousseau (paragraph 2.5.1), one again sees the basic assertion of participatory democracy of the interrelationship and connection between individuals, the qualities and psychological characteristics, and types of institutions.

Like Rousseau, Mill sees these qualities being as much developed by participation as existing beforehand and thus the political system has a self-sustaining character. He sees the educational function of participation in the same terms as Rousseau.

Another aspect pointed out by Mill is the fact the individual has to be prepared for participation at local level so that he learns how to govern himself. The necessary qualities underlying participation have to be fostered and developed at the local level for participation to be effective. Pateman (1992:31) states as follows: "It is at local level where the real educational effect of participation occurs, where not only do the issues dealt with directly affect the individual and his everyday life, he also stands a good chance of himself being elected to serve on a local body... It is by participating at the local level that the individual 'learns democracy'."

Mill agrees with Rousseau that participation aids the acceptance of decisions and the individual consciously becomes a member of a great community. However he rejects Rousseau's statement that, for effective participation, political equality is necessary.

According to Pateman (1992:33), the most interesting aspect of his theory is the educational effect of participation in the industry: a co-operative form of industrial organization leads to a "moral transformation" of those that took part in it. The results of a co-operative organization could be: friendly rivalry in the pursuit of a common good to all, the elevation of the dignity of labour, a new sense of security and independence in the labouring class, the conversion of each human being's daily occupation into a school of social sympathies and a practical intelligence. Participation in management fosters and develops the qualities in the individual that he needs for public activities.

If such participation in the workplace is to be possible, the authority relationship in industry would have to be transformed from the usual one of superiority-subordination (managers and workers) to one of co-operation or equality with the managers (government), who are elected by the whole body of employees just as representatives at the local level are elected. The researcher is of opinion that it would be a step closer to getting workers not only responsible for decision-making, but also accountable for the decisions that they take, irrespective of the outcome of the decisions.

2.5.3 G.D.H. Cole

In Cole's theory of Guild socialism, a detailed scheme is set out of how a participatory society might be organized and brought about. Cole's social and political theory is built on Rousseau's argument that will, and not force, is the basis of social and political organization. Cole, according to Pateman (1992:36) states that men must co-operate in associations to satisfy their needs and therefore look at motives that bind people together in association. They must participate in the organization and regulation of their associations.

Cole (Pateman 1992:36) pointed to self-expression or self-government, which means one must call forth the people's full participation in the common direction in the affairs of the community. This in turn will involve the fullest freedom of all members, for in freedom there is perfect expression. The individual is free when he operates with his equals in the making of laws. This theory can also be seen as a theory of association, for Cole is of opinion that, as society is a complex of associations that are being held together by the wills of their members, the individual (if he is self-governing) will be able to participate in decision-making in all associations where he is a member. But as he points out, the associations themselves have to be free to control their own affairs and be equal in political power. He therefore regards the interference of the state as the main danger.

Representative government (in the wide sense of the term) is necessary in most associations, where tasks and duties with relevant power and authority are assigned in order to achieve certain goals effectively.

Cole (Pateman 1970:37) identifies two reasons for forms of misrepresentation:

- The assumption that an individual can be represented as a whole instead of being represented in relation to some well-defined function; and
- There is no real choice or control over representatives and the individual is denied the right to participate, because having chosen a representative, the ordinary individual has nothing left to do except letting other govern him. On the other hand, participation implies that the individual should constantly participate in the conduct of those parts of the society structure with which he is directly concerned and best understands.

The democratic theory must therefore not be applied only or mainly to some special sphere of social action, but to any form of social action.

Like Mill, Cole sees the educational function of participation as crucial. It is only by participation at the local level and in local associations that the individual can learn democracy. In most instances, the individual is not given the opportunity of learning the rudiments of self-government and he therefore exercises no control.

Industry provides an important arena for the educational effect of participation, for here the individual is involved to the greatest extent in relationships of superiority and subordination, and the individual spends a great deal of his life at work. A servility system deprives the individual of power or responsibility, and therefore he cannot be self-governing in the workplace.

Like Rousseau, Cole highlighted the following points in his theory:

- A substantial measure of economic equality is necessary for equality of political power;
- Equalisation of status brought equality of independence in terms of income;
- There would no longer be one group of managers and one group of individuals, with the latter having no control over the affairs of the enterprise;
- Participation leads to the abolition of the fear of unemployment, inequality in security, etc.; and
- The motives of fear and greed would be replaced by the motive of free service, and workers would know that their efforts were for the benefit of the whole community. (Pateman, 1970:116-117)

2.6 APPROACHES TO LABOUR RELATIONS

The way one perceives the overall nature of labour relations determines not only how one approaches and analyses specific issues and situations within individual relations. It also determines how others are expected to behave, as well as the response to their behaviour and the means that are adaptive to influence or modify their behaviour.

In examining the different approaches, it is useful to differentiate between those approaches that are concerned with the general nature of employment organization and those that deal specifically with the industrial relations system itself.

2.6.1 Unitarian perspective

The researcher believes that the supporters of the unitarian perspective take an absolute stand against employee participation, for collective bargaining is seen as an anti-social mechanism. Trade

unions are seen as an intrusion from outside that competes with management for the loyalty of the workers. Unions are, according to the unitarian supporters, simply necessary to determine the terms and conditions of employment. Thus the unitarian perspective is reluctant to concede any role of authority and decision-making to unions in organizations (Salamon, 1987:26-27).

According to Moolman (1993:33), certain tactics have been implemented to suppress unions:

- Dismissal of union activists through personnel reduction; or by
- The promotion of "sweet-heart" unions or a communication system that will prevent an independent union from appearing.

The unitarian perspective emphasizes the organization as a coherent and integrated team unified by a common purpose. But will employee participation not give rise to this utopia of freedom from conflict and unionism in the workplace? If management's prerogative is being seen as legitimate, rational and accepted, and that any opposition is irrational, it might lead to conflict, as a separation between management and workers exists.

2.6.2 Pluralistic perspective

The researcher is of opinion that the pluralistic approach gives a clear reason why a need for worker participation will develop among workers. For the pluralistic approach states that an organization is an amalgamation of separate homogeneous groups with different interests, over which the government tries to maintain some kind of dynamic equilibrium (see equilibrium theory paragraph 2.4.1). This condition is associated with a society as being "post capitalist".

The different groups (unions/ individual worker) would ask for a wider spread of distribution of authority and power, and a separation of ownership from management. According to Salamon (1987:30), the primary source of conflict stems from the different roles of managerial and employee groups. Management tends to focus on productivity, efficiency and profitability, while employees' main concern is to receive higher remuneration. Establishing accepted procedures and institutions to achieve collaboration through negotiable compromises are suggested by the pluralistic approach.

Powell (1993:207) states the following: "Pluralism elaborates on the notion that individuals and groups with widely varying priorities agree to collaborate in social structures which enable all participants to get something of what they want".

Pluralism theoretically rejects formal participation of workers within the running of a plant or organization itself. Involving the work force in the managerial process blurs or denies the distinction between these fundamentally opposed groups, and can easily be seen by the work force as an attempt to incorporate and thereby emasculate them. Powell (1993:209) refers to the conclusion of Brannen *et al.* that "The pluralist philosophy is basically conservative in that it in no way seeks to alter the basic authority structure within industry."

There has to be an acceptance of the need for shared decision-making between management and employee representatives.

The conclusion can be made that the pluralistic approach suggests that a balance should exist between the parties involved, where each one will be willing to restrict their "demands and aspirations" to where a level of co-operation can be reached. The tendency exists that the accent should rather fall on collective bargaining as a solution for conflict between parties (Moolman, 1993:39).

2.6.3 Radical perspective

The radical perspective sees class (group) conflict as the source of societal change, that is the result of disparity in the distribution of economic power within the society (Salamon, 1987:31).

In contrast to the unitarian perspective, the growth of unions is an inevitable response to capitalism and is an expression and a protection of the worker class. Thus trade unions and collective bargaining are acceptable, supportive and established parts of the capitalist system. These established processes and institutions of joint regulation are an enhancement rather than a reduction in management's position, according to the supporters of the radical perspective. According to Moolman (1993:37) unions are seen as an ally in the revolutionary overthrow of the capitalist system, and the state as a confederate in the "employer-establishment" in the exploitation of the working class.

The researcher doubts whether this statement can be applicable to the new South Africa since the 1994 elections. Has the position of the state towards the worker class not changed so tremendously that employers might see the state as a union-confederate, because links between the ANC and COSATU, for instance, give the worker class unlimited power? Does this lead to the exploitation of the "employer establishment"? What is the general feeling among management about this statement? These questions will be dealt with in Chapter 5.

2.7 THE SYSTEMS THEORY

For the purposes of this study, it is important to emphasize the systems theory, considering that it gives a more comprehensive explanation of labour relations. Although it is subject to a variety of interpretations, uses and criticisms, few authors have suggested that it should be abandoned.

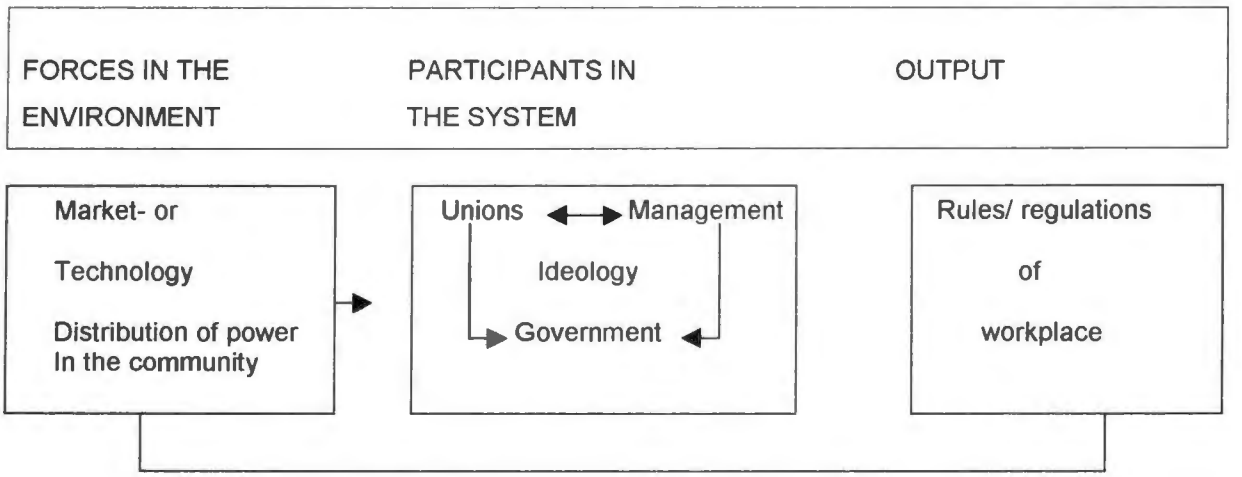
2.7.1 Dunlop's systems theory

Dunlop (Moolman, 1993:18) starts his analysis by distinguishing industrial relations as a subsystem of society, distinct from, but overlapping, the economic and political subsystems (see figure 3). He suggests that the industrial relations system could be divided into four interrelated elements, namely:

- Defined actors (employer/ management, employee/ union and the state);
- A certain context (work situation, demand and supply of labour, needs and goals of workers);
- Ideology that binds the system (participative management). When one looks at the society one sees that it can be individualistic or collective. According to the researcher, culture plays an important role in determining whether a society will be collective or individualistic. A society in Africa would rather be based on collectivism than individualism. The researcher also believes that the less developed a society is, the more people will function in a state of collectivism. Collectivism will be more present in a less developed society than in a society where modern industrialism places emphasis on the individual with his/ her aspirations, abilities and expectations that contributes to the individual's successes. The person's security thus lies within himself, whereas in undeveloped societies, security lies within groups. One can make the assumption that this is the reason why unions among the black workforce in South Africa are so powerful, for there is a relation between culture and development; and
- Rules that serve as guidelines for the actions of the specific actors in the workplace and society (Moolman, 1993:18).

The systems approach deals with an entirety that is composed by inter-dependent parts, the relation between these parts and the relation between their environments (Myers & Myers, 1982:47).

Figure 3: The inter-dependent parts and their environments



Source: Slabbert & Matthews (1990:7)

According to Gordon (1993:15) and Bredenkamp *et al.* (1991:66), these elements strive for a state of balance within the organization. The different parts are inter-dependent upon each other to execute the activities of the organization. Any change in one component will have an effect on another.

2.7.2 The Homans model

Homans (1950:12) suggested that any social system within an environment is composed of:

- a physical environment, such as the climate, the terrain and lay-out;
- a cultural environment, such as norms, values and objectives of a society; and
- a technological environment, such as knowledge and instruments that are available for a system so that the task can be performed.

The environment dictates certain activities and interactions that result in feelings and sentiments among individuals and with the community. Homans defines the combination of activities, interactions and sentiment that are determined by the environment, as the external system. Increased interaction leads to new sentiments that are not necessarily dictated by the environment. New norms and framework creates new activities that are not dictated by the external environment. Homans (1950:14) calls these new patterns that are generated by the external environment internal system.

The internal and external systems are inter-dependent. For instance, the implementation of the concept of democracy in terms of affirmative action for the black workforce has led to the implementation of equity legislation, providing greater opportunities for woman and the disabled in the workplace.

2.7.3 The technical- and social systems

Through the contributions of studies by researchers like Ivancevich and Matteson (1993:26) which sees the organization as one of the elements within a system that are inter-dependent with other elements, such as the society, stakeholders, etc., and the contribution of the Tavistock Institute (Rothwell *et al.*, 1995:29) that works with a system which refers to relationships between individuals (in groups) that have to perform a specific task, one can deduct that the organization not only has to live up to expectations of the environment, but also have to take the expectations, values and norms of its stakeholders into consideration. Workers' abilities, preferences and expectations are thus factors which influence the work and the structure of the organization. Many problems will be solved through the nature of the work - working in groups (the technical system) and the nature of the individuals (the social system).

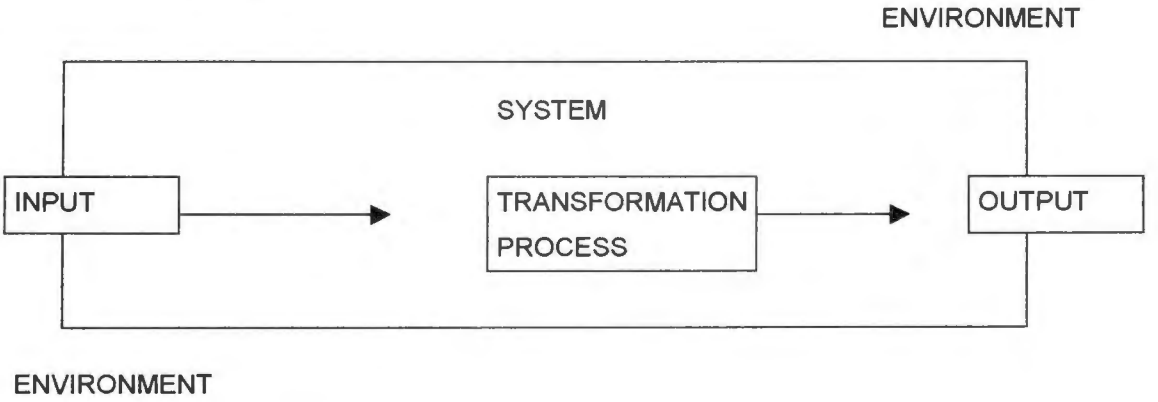
According to Schein (1980:194), different studies have been initiated about worker participation and workplace democracy. It has been found that there is no decrease in feelings of antagonism towards higher levels of the organization through implementing employee participation. In contrast, participation in the re-construction of work (workplace democracy) in the day-to-day management plays a greater role in decreasing antagonism and increasing higher productivity.

The concept of autonomous workgroups developed out of the social-technical system findings. This led to the opportunity for a workgroup to design an integrated task, to manage it and to give the individual worker the opportunity to develop his social and self-actualising desires within the context of the work situation (Calitz, 1996:79).

2.7.4 The open system

From what has previously been discussed, one can conclude that a system can be made up from elements of subsystems that are inter-dependent on each other. They influence each other in such a way that if there are changes in one, it leads to changes in the other. Such a system where there is interaction with its environment and other systems is referred to as an open system (see figure 4)

Figure 4: The open system



Source: Robbins (1990:13)

2.7.4.1 Characteristics of an open system

To explain the nature of an organization, various authors identify the following characteristics:

- **Import of energy.** Energy is being imported by open systems from their external environment (Katz & Kahn, 1966:19). Information, norms, values and attitudes to name a few are imported and imprinted into the workplace.
- **Consciousness of the environment.** Through the import of energy an inter-dependent relation exists between the organization and its environment. Changes in the one system will lead to changes in to the other and *vice versa* (Robbins, 1990:15).
- **System borders.** Certain borders exist to differentiate it from other systems; these can be physical or psychological symbols, for instance, titles, uniforms and rituals (Du Toit, 1990:51).
- **Liquidity.** A constant flow of energy exists between open systems (Katz & Kahn, 1966:20).
- **Exportation.** As energy is being imported from the environment, there is an outflow of a "product" from the organization to the environment (Katz & Kahn, 1966:20).
- **Feedback.** Information from the environment helps the open system to adapt and to correct deviations (Ivancevich & Matteson, 1993:28).
- **Cycle.** As a system exports goods and imports energy to process again, a circulatory process develops. This repetition helps the system to replicate its actions (Katz & Kahn, 1966:20).
- **Negative entropy.** The term entropy relates to the natural tendency of any system to disintegrate. A closed system will disintegrate in time due to a lack of importation of energy from the environment. In contrast, the open system can recover and maintain itself to prevent disintegration (Robbins, 1990:17).

- **Stability and change.** A state of stability exists when there is a constant exportation from the open system to the environment. The nature of the system stays stable even in times of change (Narayanan & Nath, 1993:66).
- **The tendency to grow and to expand.** The more complex an open system develops, the more energy will be imported from the environment to counteract entropy. From this flows the desire to grow and expand (Robbins, 1990:17).
- **Balance between maintenance activities and activities that ensure the ability to adapt.** There is always a balance between those activities that have to help a system survive and those that help it adapt to changes (Narayanan & Nath, 1993: 66).
- **Multiplied functions and objectives.** This may lead to conflict within the open system (Gordon, 1993:21).

The researcher agrees with the above characteristics of an open system, for it is evident that in South Africa organizations undergo changes in accordance with the political changes in order to be competitive. Organizations are also characterised by conflict that is the result of differences between various interest groups. Furthermore, information traffic between the organization and its environment is necessary in order to know the needs of the society and to supply in its needs. In this way an organization can grow and expand. If it fails in being an open system, the outcome will certainly be the end of the organization.

2.7.4.2 The labour relations system

The approach that the labour relations system is comprised of three groups, namely the workers and their organizations, managers and their organizations, and governmental agencies that are concerned with the workplace and the work community, focuses on the tri-partite nature of labour relations (figure 1).

"These groups interact within a specified environment comprised of three interrelated contexts: the technology, the market or budgetary constraints and the power relations in the larger community and the driven status of the actors" (Dunlop, 1958:383).

An ideology (commonly shared ideas or beliefs regarding the interaction and roles of the actors) is created to help bind the system together.

According to Schutte and Pieterse (1989:45), changes in the macro-environment lead to pressure on the various parties to ensure good relations in the workplace. This is one of the most primary objectives of labour relations (Slabbert and Matthews, 1990:3).

Kochan (1980:9) states that it is irrational to believe that harmony will always exist in the workplace. Importation and exportation between the open system and its environment leads to an imbalance in power, which in turn results in conflict between the different work parties.

2.8 COMPARISON BETWEEN THE BASIC ASSUMPTIONS OF DIFFERENT ORGANIZATION THEORIES

2.8.1 Classical school

According to Frederick Winslow Taylor (Calitz, 1996:37) focuses on the question as to how productivity can be improved. Taylor is convinced that an objective analysis of data from the workplace can form the basis from which to organize work. The primary objective of management should be the assurance of wealth for both the employee and employer. This implies not only higher wages for employees, but also training and development of employees in such a way that they will grow to maximize their abilities. This will enable the worker to reach a higher level of work performance.

Taylor (Calitz, 1996:37) identified the following functions, which should be performed by management:

- Management should focus on business functions such as planning, organizing, controlling and determination and not force these tasks on employees;
- The development of science for each element of a man's work, which replaces the old rule of thumb method;
- The scientific selection and training, teaching and developing of employees, whereas previously the employee had chosen his work on his own and had trained himself as best as he could; and
- Co-operation with the shopfloor in order to ensure that all the work being done is in accordance with the principles of the science which has been developed.

Taylor strongly advocated worker participation. Employees must give suggestions as to how the work can be performed in a better way. Then management must examine these opinions and if necessary perform experiments to determine whether the suggestions are a better option than the old method. These new plans must then be implemented in the organization as a whole.

2.8.2 Human Relations School

2.8.2.1 Elton Mayo

Elton Mayo (1945:84) said that high productivity could not only be the result of factors like compensation or good work design, but that relations between people in the organization play an important role as well. The underlying idea is that psychological and social factors are just as important as the physical factors in achieving the organizations' goals. Effective and clear communication and consultation brings results in complete co-operation with management. The importance of listening to employees has been stressed by Mayo (1945:84) and brings the following results:

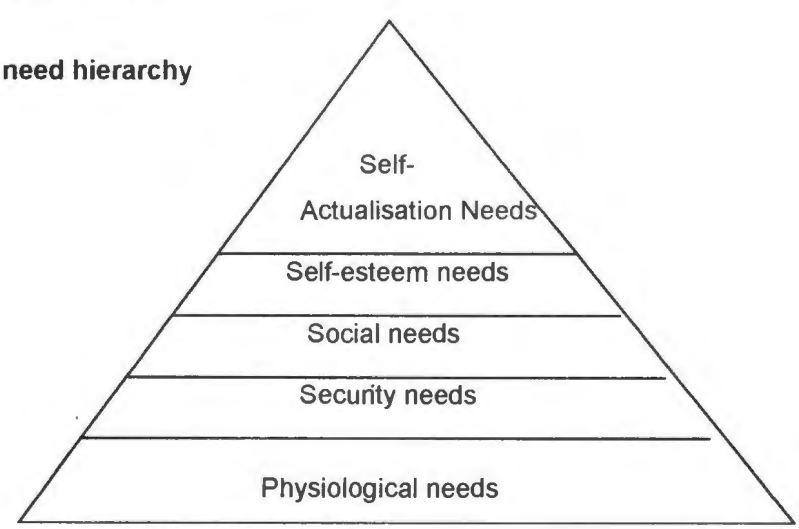
- It serves as a channel to release emotional tension.
- Individual workers associate more easily with other workers.
- The desire to have a good relationship with management is being created.
- It improves commitment and loyalty.
- Upward and downward communication is being facilitated
- It removes emotional distances.

2.8.3 Human Resource Theories

2.8.3.1. Abraham Maslow

Abraham Maslow suggests that there are five types of needs that determine a person's way of doing things. These are illustrated in Figure 5 :

Figure 5: Maslow's need hierarchy



Source: adapted from Maslow (1996:341 -361)

A person first tries to fulfill the basic desires, and as he fulfills them, he moves to the next group of desires. Maslow is therefore of opinion that an individual does not only wish to belong to a group, as the human relation school believes, but strives to achieve higher desires as he develops (Barling, 1976:25).

The theory of Maslow is seen as one of the motives of the implementation of employee participation, in that employee participation leads to self-actualisation. As discussed in paragraph 5.6.3, empowerment is the key element in employee participation. Through empowerment an individual's full potential can be realised, and this is the end purpose of human development (Meyer *et al.*, 1993:376). The above hierarchy of needs can explain a great deal of human development.

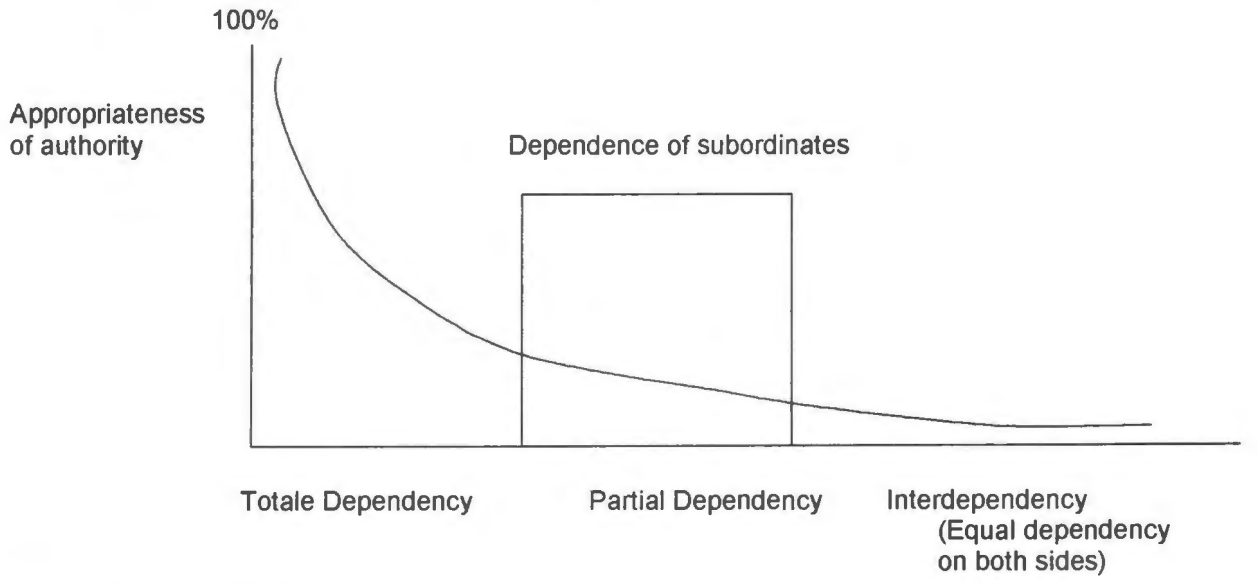
Parr (1996:28) is of opinion that through empowerment and socio-political changes in South Africa, workers become more aware of their needs and rights. From the political changes, a worker generation is emerging who strives for better working conditions and the recognition of the individual worker and his/ her rights. South African organizations experience increasing pressure for worker empowerment through employee participation. Hall *et al.* (1985:206) refer to a sub-desire of self-actualisation, such as the desire to have knowledge and to understand (this applies to the workforce's desire to be informed about decisions and workplace change), the desire for truth, meaningfulness (this refers to the fact that a worker needs to know the significance of the work he is doing), and justice (the need for equality).

Some authors believe that the need for self-actualisation can be utilised through implementing worker participation to get workers motivated in the workplace. This will lead to higher productivity and work efficiency. Self-actualisation is therefore the driving force behind some of management's approach toward employee participation to improve productivity, rather than bringing about workplace democracy.

2.8.3.2. The appropriateness of the use of authority

The appropriateness of using authority to have control over a situation can be seen in the studies of McGregor (1960: 24). McGregor has shown that the use of authority is determined by the way the parties are dependent and interdependent. The curve in figure 6 demonstrates that the appropriateness of using authority is determined by the dependence of the parties involved.

Figure 6: Appropriateness of authority as a method to control a situation



Source: Calitz (1996:48)

According to McGregor (1960:25) and Barling (1976:61-62), the use of authority will be ineffective if the parties are inter-dependent. This has led to findings that management decisions are determined by certain ideas, and can be divided into an X-theory (negative opinions) and Y-theory (positive opinions). These opinions determine the way management reacts to its subordinates.

Theory X:

- Employees are inherently not keen to work, and will try to ignore it where possible.
- Because workers do not like to work, they have to be threatened with punishment in order to achieve the set goals.
- Workers will try to avoid his/ her responsibilities where possible.
- Job security is most important to workers and they therefore show little ambition.

Theory Y:

- For the average human being work is a source of satisfaction (and will be voluntarily performed).
- If a worker is committed, he will exercise self-direction and self-control to achieve objectives and the threat of punishment would be unnecessary.

- Rewards such as the satisfaction of ego and self-actualization, can be direct products of effort directed towards organizational objectives. Therefore commitment to objectives will be a function of the rewards that are associated with their achievement.
- Under proper conditions the average human being learns not only to accept but also to seek responsibility. The lack or avoidance of responsibility, ambition and emphasis on security are generally consequences of experience and are not inherently a human characteristic.
- The intellectual potential of the average human being is only partially utilised.
- The capacity to exercise a relatively high degree of imagination, ingenuity and creativity in the solution of organizational problems is widely and not narrowly distributed.

If one's perception is based on Theory X, the human resources will not be utilised to their full potential. No time, money and energy will be used to determine how human potential could be developed (McGregor, 1960:54).

Theory Y has been adopted by management since 1960, collaboration in decision-making, the development of challenging work and the creation of good relations resulted as goals of a new management style (Robbins, 1990:40).

Employee participation does not differ much from delegating, according to McGregor (1960:130), because through participation, opportunities are being created through which workers can influence decisions. They can achieve their own goals, through activities that focus on the organization's goals. Table 4 on the next pages compares the perceptions of the classical-, human relations- and human resource theories.

Table 4: Conclusion of the perceptions of the classical-, human relations- and human resource theories

THE CLASSICAL SCHOOL	THE HUMAN RELATIONS SCHOOL	HUMAN RESOURCE SCHOOL
A ASSUMPTION		
1. Work is for most people inherently unsavoury.	People want to feel important and useful.	Work is not inherently unsavoury. People want to make a contribution in the attaining of meaningful goals, which they helped determine.

2. What people do is less than what they deserve.	People have a desire to belong and to be recognised as individuals.	Most people are much more creative and responsible, can determine their own direction and can exercise much more self-control than what is being expected from them in their work.
B. POLICY		
1. Management's basic task is to supervise and exercise strong control over subordinates.	Management's basic task is to let every worker feel useful and important.	Management's basic task is to empower and to use human resources to its full potential.
2. Management must break tasks into elementarily repeatable segments that can easily be learned.	Management must inform subordinates and listen to their concerns about management decisions.	Management must create the correct environment, so that all members can contribute in relation to their abilities.
3. Management must implement detailed work routines and procedures and must apply them fairly.	Management must allow subordinates to determine their own direction and to apply control over routine tasks on their own.	Management must guarantee full participation in important aspects and continually allow subordinates to determine their own direction and exercise control.
C. EXPECTATIONS		
1. Workers will tolerate work if the salary they get is sufficient and if supervisors are fair.	Workers' desire to belong and feel important will be satisfied through communication and information.	Workers will on their own improve efficiency if their influence, determination of their own direction and self-control are being expanded.
2. Workers will attain the set standards if tasks are elementary and if control over them is strict.	Satisfying the desire to belong and to feel important will improve workers' morale and resistance against formal authority will decrease.	The fact that workers' full potential is being used will increase work satisfaction.

Source: Miles (1975:35)

2.9 CONFLICT THEORY AND SOCIAL CHANGE

The conflict theory argues that the inherent scarcity of certain goods and values is the source of strains and contradictions in social systems. Thus inequality is the source of conflict and the struggles of actors and groups in society to control scarce resources are viewed as the "promoters" of change.

The Marxist theory (paragraph 2.4.4) sees conflict as being rooted in economic inequality. It focuses on the accumulation of contradictions and the transformation of systems. According to Harper (1993:97), the clearest and most systematic contemporary conflict theory is that of Ralph Dahrendorf.

For the purposes of this study, the researcher will explain in more detail the relation between the conflict theory and social change by focusing on Dahrendorf's work.

According to Harper (1993:97), Dahrendorf shares the following assumptions about society and change with Marx:

- Pervasive and normal conditions within society are the state of conflict, and "mal-integration";
- Opposing "interests" that inevitably occur in the structure of society are presumed to cause conflict;
- Opposing interests are viewed as reflections of differences in the distribution of power among dominant and subjugated groups;
- Interests polarize into two conflict groups;
- Conflict is viewed as dialectic, so that the resolution of one conflict creates a new set of opposed interests, which under certain conditions will generate further conflict; and
- Social change is a pervasive feature of social systems, resulting from the dialect of conflict between various "interest groupings" within any system.

Unlike Marx, Dahrendorf argues that it is not control of the means of production *per se*, but social control in general that is the broadest basis of conflict in a social system. He suggests that any established social system is an "imperatively co-ordinated association", having roles and status positions that embody power relationships. Power relationships tend to be institutionalised as authority, in which power to control becomes invested in "normative rights" to dominate others. He thus assumes that any established social system has authority to give orders, and others are obliged to obey (Harper, 1993:98).

Dahrendorf contends that control over the means of production and not ownership is the crucial factor. In the early stages of capitalism those who owned the means of production exercised control over their use, but this does not mean that there is an intrinsic connection between ownership and control, according to Johnson (1981:468).

Any system can be viewed as having two collectives, which represent:

- Those with an interest in maintaining authority and control; and
- Those whose interest is in gaining control and redistributing or renegotiating rights regarding authority.

During the development of capitalism into a "post capitalist" society, legal ownership of the means of production and effective control has been segregated to a considerable degree. Ownership of the means of production has been dispersed among stockholders, while professional managers and executives exercise effective control. Their control does not lie in their ownership of large share of the stock, but in their positions of authority within the organization. Therefore the control that stockholders have is latent or potential, not active (Johnson, 1981:469).

Dahrendorf (Harper, 1993:99) identifies "quasi-groups" with "latent" interest, meaning that they have the potential to become aware of their interest in maintaining or gaining control. These groups can become "manifest" interest groupings, which are organized and aware of their interest. This depends on the presence or absence of several factors.

These "quasi-groups" include the possibility of open communication about issues relating to authority, the existence of political freedom of association, and the availability of material, technical-administrative and ideological resources (Harper, 1993:99).

The development of a manifest interest group means that a group has the potential to organize and mobilize for conflict with other groups in the system about the distribution of authority. Dahrendorf's focus is the authority structure of organizations rather than ownership patterns. His assumption is that all social systems are "imperatively co-ordinated" by means of authority relations (Johnson, 1981:469).

According to Harper (1993:100), Dahrendorf distinguishes between the following forms of conflict:

- Unregulated conflict, like the creation of civil disorder, terrorism, and sabotage;

- Conflict regulated by social norms, as in the case of economic boycotts, marketplace competitions or parliamentary debates;
- Intense conflict that involves a high degree of mobilization, commitment and emotional involvement.

Conflict may or may not result in change. Where conflict within the system become polarized into an "us" and "them" situation, as in South Africa where conflict between blacks and whites were superimposed, change is dramatic. Conflict can produce stability as an ongoing stalemate, in which there are no winners between groups that are bound by conflict. It can result in total or partial system change regarding the redistribution of rights, resources and authority. But the settlement of conflict is temporary for each "resolution" of the problem of rights and authority and creates new categories of "those in charge" and "those who are not" (Harper 1993:100) and (Ritzer, 1992:262-266).

Dahrendorf (Johnson, 1981:469) identifies several other features that distinguish modern industrial society from the early stages of capitalism that Marx analysed:

- An increased heterogeneity of labour force resulting from upgrading skill requirements;
- Tremendous growth of the middle class who participates in delegated authority;
- Increased social mobility between classes;
- Growth of political equality and enlargement of the meaning of political citizenship rights;
- Increased material affluence for larger segments of the population; and
- Establishment of various institutional mechanisms for recognizing and negotiating class conflict issues, such as collective bargaining.

2.10 ALTERNATIVE MODELS OF ORGANIZATIONAL CONTROL

Four major models of organizational democracy that form the basis for current proposals on worker participation in management can be identified. For the purpose of this study, they are discussed briefly.

2.10.1 The capitalist model

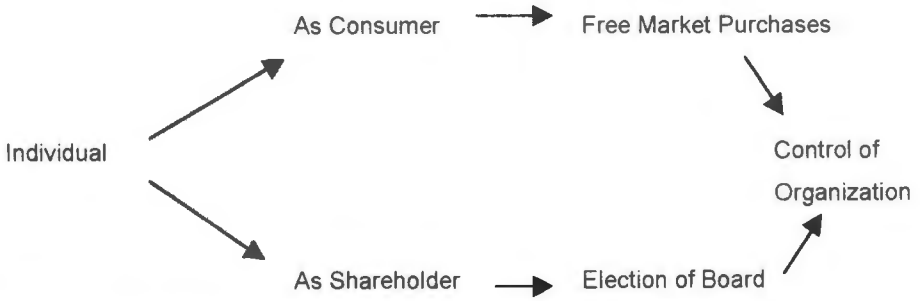
The individual controls organizations in two ways:

- First as a consumer where he/ she participates in a free market and where purchases of goods are a type of vote that sustains the decisions of the capitalist enterprise; and

- Secondly as a shareholder where the individual also participates in the shareholders' meeting, electing the organization's board of directors or supervisors (see figure 7).

To legitimize the economic system worker participation in shareholding is widened. Democratic values cannot be reflected if markets are to be monopolized and if shareholding is confined to the upper class (Anon., 1977:3).

Figure 7: Capitalist model



Source: Anon. (1977:3)

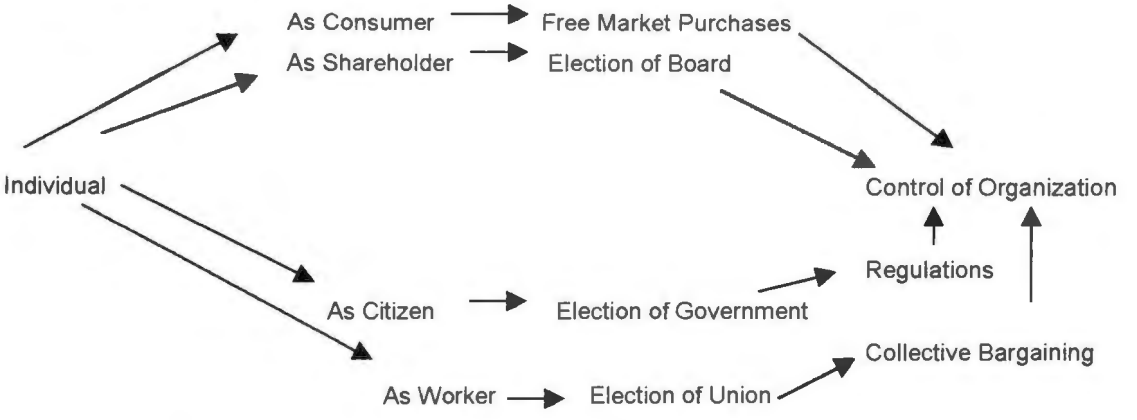
2.10.2 Statist model

This model adds to the capitalist model in that - in addition to the consumer and shareholder role - the individual can control the organization in two other ways as well:

- As a citizen, the individual elects a government that issues regulations controlling what the firm may or may not do; and
- As a worker, the individual directly influences organizational behaviour through union collective bargaining (see figure 8).

The decline in the meaningfulness of the free market is associated with an increase in economic regulation and extension of union collective bargaining (Anon., 1977:5).

Figure 8: Statist model

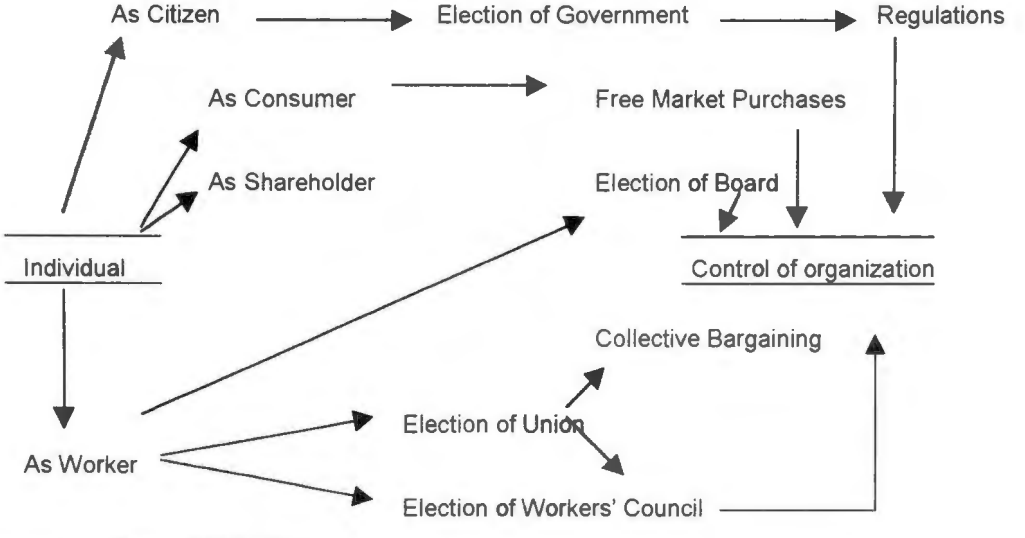


Source: Anon. (1977:5)

2.10.3 The worker participation model

Although this model accepts capitalist and statist methods of control such as collective bargaining, state regulation and shareholders' "meetings", its emphasis falls on control through direct organization of employee participation, even though some view employee participation as a prelude to decentralized socialism. According to Anon. (1977:7), the unique feature of this model is worker representation at both the highest (board) and lowest (shopfloor council and work team) levels of the organization. Many advocates of this model do so only in principle, with the motivation of smoothing labour relations without disturbing capitalist power relationships (see figure 9).

Figure 9: Worker participation model



Source: Anon. (1977:7)

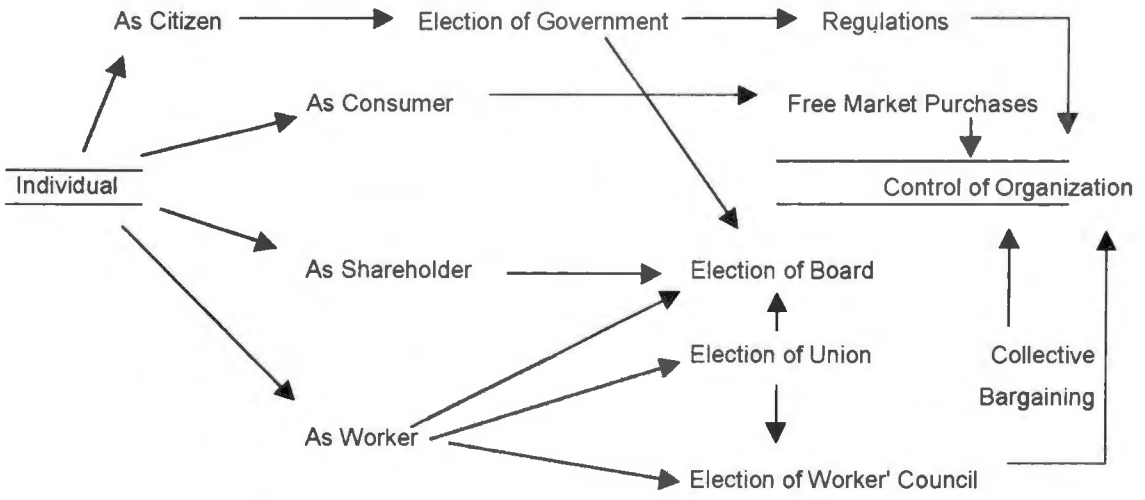
2.10.4 Interest group model

As seen in figure 10 this approach preserves the fundamentally capitalist nature of management and is against worker-owner capitalism, collective bargaining, erosion of basic managerial prerogatives or participatory control by workers.

Anon. (1977:9) is of opinion that this model emphasizes the need for balance among the various parties with an interest in the enterprise (see Durkheim's opinion on the interest as a binding factor of society): this balance is often proposed to take concrete form in tri-partite or multiparty boards, composed of shareholders, worker representatives, and representatives of other major interests.

A system is being advocated in which each "stakeholder" in the firm might be represented on corporate boards. It blends in with the pluralist theory (see pluralism in paragraph 2.6.2). If the interests of the society are not represented in the firm, decisions may be based on what is best from the standpoint of the individual or organization, and not necessarily what is best from the standpoint of society as a whole. A higher lever of social rationality in decision-making is thus needed. Boards should in this regard be composed of all interests, and be neither shareholder controlled nor worker controlled (Anon., 1977:10).

Figure 10: Interest Group model



Source: Anon. (1977:9)

2.11 SUMMARY

During this chapter the researcher firstly looked at what social change is and what the causes for social change are in order to understand how employee participation is a form of social change. Different theories for social change exist, and one of the most important theories specifically applicable to the South African situation is the equilibrium theory.

This theory states that equality should reign in the workplace. The question can then be asked whether it is workable and if some leadership is not necessary. The conclusion was made that difference in power is necessary in a relationship in order to empower subordinates. Other points that have been looked at are:

- Authority structures must be so organized that they can participate in decision-making; and
- Economic equality is required to give the individual the independence and security necessary for equal participation, the abolishment of distinctions between managers and workers, and the democratisation of industrial authority structures.

The different approaches to perspectives of labour relations were clarified, such as the unitarian, pluralistic and radical perspectives.

The organization was identified as an open system according to the system theory. A comparison has been made between the basic assumptions of different organization theories, such as the classical school, the human relation school and human relation theories.

Here Abraham Maslow's theory has been highlighted in that it supports the claim for worker rights, change, empowerment, etc. In fact, many researchers will claim that the motivation of worker participation lies in this theory.

The purpose of this chapter was to focus on theories that support the implementation of employee participation as a form of social change, through co-operation and integration between the organization and its environment. In order to uphold this relationship in an orderly manner it is essential that an organization adapt to changes that occur in its environment. In South Africa, the pressure on the organization to adapt to political changes in order not only to uphold equilibrium with its environment, but also to uphold equilibrium within the organization, developed the need for co-operation between management and the workforce.

CHAPTER 3

A CONCEPTUAL FRAMEWORK OF WORKER PARTICIPATION

3.1 INTRODUCTION

The concept of worker participation (or co-determination) has different interpretations in various countries; for instance, in Sweden it implies the representation of workers on organization boards. In Yugoslavia it means self-management by workers, in West Germany it relates to the special rights of the employee committees and the representation of workers on supervisory boards, while a person from Singapore or Zambia would think of worker councils, and a Canadian would think in terms of enterprise bargaining.

Worker participation in its simplest form is merely a question of how to secure a bigger say for the workers in the determination of the conditions governing their everyday working lives, by which the balance of power is redressed in favour of those who contribute their labour to the productive effort. This comprises participation in all management processes whereby workers influence managerial decision-making.

It has been found that a situation is set up in which participation does not necessarily take place, but in which a feeling of participation is created by the leader adopting a certain approach or style. Participation has been limited to the endorsements of decisions made by the leader who is neither selected by the group, nor responsible to the group for his actions. The only goal the group leader has in mind is to get acceptance of the goal by the group. This is referred to in industrial psychology as "participatory leadership", which is a technique of persuasion rather than taking part in decision-making (Pateman, 1992:69).

Participation is apparently so effective in its psychological impact on individuals that even in the smallest possible dose – it appears that even the mere feeling that participation is possible (even a situation of pseudo-participation) has beneficial effects on confidence, job satisfaction, etc.

In this chapter the researcher focuses on what comprises the conceptual framework of labour participation. It consists of the process of employee involvement that can take place in two different situations that are determined by various classes of decisions and influenced by variables such as the aspirations of workers and power.

Certain objectives of participation and initiators of the various forms of participation are identified in this chapter. Different factors play a part that should be considered in implementing participation

schemes. The concepts of adversarialism vs. bilateralism as a basis on which participation can be built are also discussed.

3.2 FORMS OF WORKER PARTICIPATION

The following distinction can be made between these different forms of employee participation:

3.2.1 **Direct participation** is concerned with face-to-face contact between managers and their subordinates. This interaction primarily involves the flow of information from the former to the latter, and the latter to the former. Types of techniques that can be included in this category, would be for instance team briefing (paragraph 4.3.5) and quality circles (paragraph 4.3.6). Here workers are involved on an individual level, rather than through their representatives.

3.2.2 **Indirect participation** implies a situation where workers are involved in management decision-making *via* their representatives. Schemes may vary from worker representatives on management boards (paragraph 4.3.10), to joint consultative committees (paragraph 4.3.8.1.3).

3.2.3 **Financial participation** (paragraph 4.3.8) involve economic participation by workers in the success (or failure) of the organization, and the link between a proportion of their pay and company or departmental performance. This would include profit-sharing schemes and employee share ownership (ESOPs) as described by Marchington (1993:209).

See more about the different forms of participation in Chapter 4.

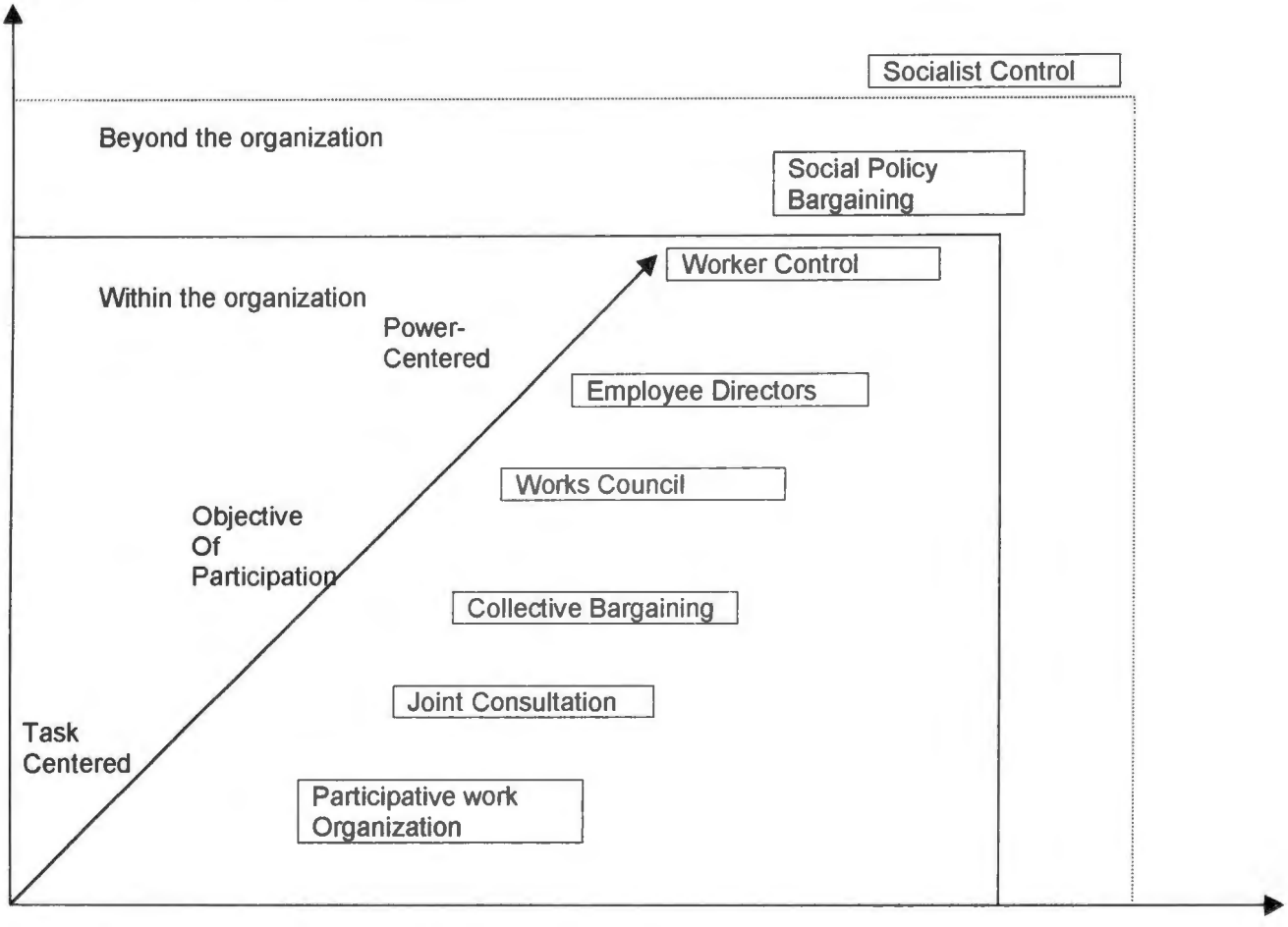
3.3 LEVELS OF WORKER PARTICIPATION

According to Bendix (1996:553), power centralization (where participation means the division of power and involves the worker with decision-making over aspects that involve the organization as a whole) and task centralization (where only work processes are being mutually organized and developed) will determine the level at which employee participation in the organization will be implemented. The latter implies that participation will be restricted only to the lower levels of the organization.

Veldsman (1992:7) is of opinion that workers' involvement in decision making is influenced by the degree of responsibility that is granted to them to make decisions on their own about aspects that concern their work.

Anstey (1990:6) describes the levels on which worker participation is being practiced and this can be seen in Figure 11.

Figure 11: Levels of worker participation



Source: adapted from Anstey (1990:6) and Anstey (1991a:3).

Anstey (1991a:2) agrees with Ledford (1994) who defines employee participation as "...an extension of the power to make decisions and the supply of business information, rewards for performance, and technical and social skills to the lowest levels of the organization." To clarify this definition, it is important to note that without power to make decisions, employee participation is superficial; it is naïve and potentially harmful and rewards are needed to align individual motivation with organizational goals. It also demands technical and social skills.

Ledford (1994) argues that employee involvement is a property of organizational systems and is thus reflected in the way they are managed and structured. McLagan and Nel (1995:189) identify the following five levels on which participation can involve workers in decision-making with management:

Figure 12: Levels of decision-making

Level 5: Vision Participation

Workers on this level are involving fundamental assumptions that direct the organization. Activities here help in setting the strategies and norms that determine what the organization is, and towards which it strives.



Level 4: Contexts Participation

Decision-making on this level lets workers influence aspects outside their own work, such as selecting of group leaders.



Level 3: Role Participation

On this level workers determine what they themselves or their groups should attain. A broad insight and knowledge is needed about the organization as a whole. Activities can be such as the setting of production goals, identifying needs and how to react to them, as well as the appointing of group members.



Level 2: Activity Participation

On this level meaningful worker participation can be developed, in that workers influence the way they work, which forms part of their direct responsibility. Decision-making, for instance, can involve choices like the techniques that should be followed.



Level 1: Prescribed action

On this level workers perform prescribed procedures. Activities are of a routine nature, and procedures are followed accurately.

Source: McLagan and Nel (1995:189)

Therefore if worker participation is only to be permitted on the lower levels, workers will only be able to make decisions that involve their direct working environment. Employee participation in decision-making increases as the levels of power-centered participation in the organization increase.

3.4 PROCESS OF WORKER INVOLVEMENT

3.4.1 Two types of participatory situations

A differentiation can be made between two types of participatory situations, namely:

- Partial participation – where the worker does not have equal power to decide the outcome of decisions but can only influence them. Two parties influence each other in the making of decisions but the final power to decide rests with one party only. Partial participation is possible at both the lower level of management (management decisions relating to the control of day-to-day shopfloor activities) and higher level of management (decisions on investment, marketing and so forth). Partial higher level participation does not require the democratisation of authority structures, for it is possible for workers (or their representatives) to influence higher level decisions while the final decision-making prerogative remains in the hands of the (permanent) management, as it does under the present collective bargaining situation.
- Full participation – where each individual member of a decision-making body has equal power to determine the outcome of decisions. Full participation is possible at either the lower or higher management level or both (Pateman, 1992:71).

Lower level partial participation is certainly favourable for the development of feelings of political efficiency (see the levels of participation on paragraph 3.3). In terms of higher level participation, it would seem that education is required, for only participation at this level could give the individual experience in the management of collective affairs in industry and insight into the relationship between decisions taken in the enterprise and their impact on the wider social and political environment. (See Rousseau's theory on the role of education, paragraph 2.5.1 and training needs in Chapter 4).

3.4.2 Areas of decision-making

Four main classes of decisions are to be distinguished, according to Anon. (1981:24), namely:

- Those relating to technical matters (production, organization, equipment, methods) and the performance of the work;
- Those relating to employment and personnel questions, i.e., to the worker on the job and sometimes outside it as well (selection, recruitment, allocation and distribution of work, remuneration, promotion, housing, training and re-training at various levels, dismissals, etc.);
- Decisions relating to the economic and financial policy of the undertaking (projections, programs, investments); and
- General policy decisions relating to the existence of the undertaking and its structure (appointment of top managers, total or partial shutdowns).

The various classes of decisions cannot be completely separated but tend to overlap. The managing director, the boards of directors, the supervisory boards, or even the general meeting of shareholders take some decisions at the highest levels. The degree of participation may vary with the particular class of decisions, i.e. in one and the same undertaking there may be co-decisions by collective bargaining (paragraph 4.3.2) over the terms and conditions of employment, information on business policy and consultation on questions of organization of work. Although employers and management often agree that workers could or should participate in problem solving, they generally seek to keep participation within certain limits.

3.4.3 Variables that influence greater or smaller participation

Table 5: Variables that influence the intensity of participation (Rus, 1979:236)

Participation / Variables		Plant Level		Group Level	
		Actual	Desired	Actual	Desired
Personal Variables	value orientation	.	.	.	.
	sex	.	.	.	.
	Age	.	.	.	.
Status Variables	education	.	+ + + + + + + +		+ + + +
	income	.	+ + +	+ + + +	+ + + +
	Status	.	+ + + +	+ + + + + +	+ +
Behaviour Variables	earlier members of WC	+ + + + + +	+	+ + + + + +	+
Work Environment	formalisation of work	.	.	.	.
	Monotony	.	.	+	.
	Personal development				
	Interdependency	.	.	.	.
Leadership	participatory Leadership	.	.	+ + + +	.
	Protectiveness of leader	.	.	+ +	.

Peer re-lationship	competitiveness of workers co-operation indifference	. . .	. . .	. . .	. . .
Active Influence upon	co-workers supervisors members of WC political function top management	 + + + + + + + + + + + + +	. . . + .	+ + + + + + + + + + + + + + + + + + + +	. . . . .
Passive Influence from	co-workers supervisors members W.C political function top management	. . + . .	 + + + + + + .	. . + + . .	. . . . .

Source: adapted from Rus (1979:236)

For the purpose of this study the researcher focuses on only two of these variables, namely:

3.4.3.1 Aspirations of workers

In a study dealing with the effects of participation at two organizational levels (the plant level and the level of a working group) and the effects of participation on various issues of decision-making, as well as the effects of different modes of participation, Rus (1979:225) found that the aspirations of workers can influence the degree of participation. If workers perceive that the present situation cannot change; that the nature of problems does not permit more frequent participation and that participation cannot realise the workers' essential interest, participation in schemes will be low. This hypothesis is supported by the high correlation between aspirations and actual participation; the more intense the participation of workers, the higher their aspirations are. If participation of workers is low, aspirations for participation are low as well.

A further finding was that workers were more oriented towards participation in the organization of work, than towards participation in regulating group interactions. The researcher is of opinion that the function of participation at these two levels will differ in that at plant level, employee participation is more defensive and preventive (oriented to protection of workers' interests), while at the level of a work group it is more offensive and active (oriented more to fundamental working problems from which other social consequences proceed as well).

A high positive correlation exists between intensity and quality of participation: the more intense the worker participation, the higher the form of participation he desires. Rus (1979:231) made the following correlation in terms of the actual and desired participation of workers:

- Workers who wish to participate more intensely in one kind of decision at plant level or at the work group level, also wish to co-operate more frequently in other decisions;
- Participation in one decision increases the probability of participation in other decisions as well;
- Decision-making about personal income and about working norms at plant level is closely related to decision-making at the level of a work group;

Taking into consideration the above findings, one can make the assumption that participation in one sphere generates participation in another; that actual participation generates greater aspirations for participation and that greater aspirations for participation generate even more actual participation. The whole complex of participation is thus revealed as a self-generating process, or rather, as a self-reinforcing complex. The conditions for participation are not essential.

3.4.3.2 Political aspirations of South African workers

Within a human relations approach, the role played by political aspirations in satisfying the personal/ social needs of workers must be considered. It is to be expected that people with a low level of reward from their work will seek some sense of worth and achievement, or at least the hope of achievement, elsewhere (Powell, 1993:216). A powerful and confident trade union provides a sense of empowerment and direction.

The above argument provides some of the reasons behind labour's fairly consistent rejection of worker participation. From a political perspective, it blurs the distinction between the power groups and attempts to weaken workers' political structure (see chapter 5). From a social fulfillment viewpoint, it threatens firstly their self-esteem for it lessens the empowering unity of organized labour by involving individuals in an alternative co-operative structure. Secondly, it threatens the self-confidence of individual workers by drawing them further into an organization where they are at the bottom of the scales of education, salaries and social prestige.

3.4.3.3 The power variable

Power is interpreted as a dependent variable although power distribution has not essentially changed in Yugoslavia. Participation presupposes a more or less equal distribution of power; if power is distributed unequally, if it is centralized and hierarchical, then effective employee participation is not possible (see equilibrium theory on paragraph 2.4.1). Participation can rather be seen as an independent variable and power as an outcome variable of the process. The most appropriate interpretation can be: More participation generates greater influence of the worker on his

environment, although it does not curtail the influence of other members, since the influence of others primarily depend on status and means, which do not change due to worker participation.

3.4.3.4 Social and cultural variable

See Chapter 5 paragraph 5.6.2.1

3.5 OBJECTIVES OF PARTICIPATION

Various objectives are claimed by pronounced worker participation, and are often closely linked. This can be seen as one of the factors why there can be no single definition for worker participation. For clarity on these objectives, an attempt will be made to distinguish between four main groups.

3.5.1 Ethical/ moral

All human beings are born free and equal in dignity and rights. Everyone is also a member of society, and is entitled to realisation of economic, social and cultural rights. Employee participation thus have the goal of promoting individual development or fulfillment in accordance with a conception of human rights and dignity. On the grounds that the employee is involved with the organization, he should have a say in management, irrespective of with whom the proprietary right resides.

Worker participation can thus be defined as "...the extension of the individual's human rights at the work place...whereby procedures, institutions, rules and styles of management should bring worker recognition, treatment and attention as a human being rather than as a mere statistical unit of production" (Anon.,1981:10).

The notions of equity (paragraph 2.4.1) and social justice are now current in South African industries and current Labour Law reinforces this humanitarian idea. This can be seen as a result of more education (paragraph 5.6.3) and development which encourage initiative, creativity and readiness for collective responsibility in small work groups and an increasing unwillingness to accept authority.

3.5.2 Social-political

Socio-political objectives vary widely, and are often presented under the label of "industrial democracy." Life away from the workplace has developed in one way and life at the workplace has

developed in another. The difference constantly grows and is at the root of the increasing need which employees feel to exert an influence on conditions of work and on management.

The researcher mentions in this regard that the focus falls on "the change of the social structure and the distribution of power in the society." Political democracy is incompatible with an absence of democracy in the economic sphere of life.

A report by the government of Jamaica states that the introduction of worker participation in a mixed economy can be called "a logical and organic development on the road to social equality, social justice and the total democratisation of power" (Anon., 1981:11).

Employees do not only derive their income from the organization, but devote a large proportion of their daily lives to the organization. Thus, each decision substantially influences every employee immediately and in the long term.

Political opinions play an important role where employee participation systems focus on the changing of role division between owners, managers and employees in the organization and the power balance between them (see chapter 5).

The question arises as to how and to what extent employees should be able to influence the decisions of the organization that employs them. The researcher agrees with the statement of Anon. (1981:14) that if worker participation is aimed at shaping or changing the society, it has a vital political dimension and can thus be seen as an eminently political issue. This can be seen where participation schemes are aimed at redefining the roles of owners, managers and workers in the enterprise, and the changing of the power relationships between them. However, where participation schemes are only a management technique aimed at improving either work organization or employer-employee communications, the political dimension is least visible. Yugoslavia is one of the best examples in this regard, for not only is worker participation directed to change relations within the organization, but also to change the structure of society.

3.5.3 Economic

Participation schemes can be related directly or indirectly to increasing efficiency of the organization. By associating workers with decisions, an attempt is made to improve the quantity and quality of output, utilisation of labour, materials and equipment, as well as the introduction of new technology and methods. Another goal is to reduce conflict between management and labour in areas of interest and to improve labour relations.

The researcher is of opinion that the competitiveness challenge can only be met if the productive capacity of the economy is improved. This calls for a revision of hierarchies for example, shifts in multi-skilling must be made and for a greater workplace flexibility that requires more employee participation at all levels of the workplace.

Anon. (1981:17) mentions to the following reasons for worker participation, namely:

- Workers have ideas which can be useful;
- Effective communication upwards is essential for sound decision-making at the top;
- There are less resistance and greater acceptance of decisions if workers participate in making them;
- Workers may work harder if they share in decisions that affect them;
- Workers become better informed and thus work more intelligently and are focused on what they do;
- Employee participation may foster a more co-operative attitude amongst workers and management, raising efficiency by improving team work and reducing the loss of efficiency arising from industrial disputes; and
- Worker participation may act as a spur to managerial efficiency.

In many instances worker participation is regarded as a means of improving efficiency and preventing labour unrest. In order to improve the productivity and efficiency of the organization, the willingness of the trade unions to share responsibility should be emphasized. Old traditions, which affect workers' attitudes and reactions, should be eliminated, for a spirit of initiative and responsibility is stimulated among the workers through worker democracy.

Du Plessis (1984:18) stated that various methods of involving workers in management decisions are seen, primarily, as a means of getting their interest. This ensure their co-operation in improving productivity, raising standards of quality, organizing production more efficiently, cutting down on waste of materials and making more rational use of material and manpower resources.

Technical development on the one hand and a difficult economic situation on the other - that often leads to shut-downs, short time working and reorganizations involving the transfer or redundancy of personnel - often seem to have led to the growth of employee participation (Anon., 1981:19).

The current economic situation in South Africa calls for goals other than economic growth, such as the improvement of quality of life, working conditions, protection of the environment and the interest of the consumer. To pursue such goals, decision-making in organizations should have a broader, more

democratic base (paragraph 3.6 on how participation affect 5 determinants of organizational effectiveness).

3.5.4 Legislation

Seen against the background of labour legislation there are two aspects of worker participation, namely:

- The improvement of the common accepted rights of the employees. Here the government plays an important part in implementing standard legislation whereby the position of the workers is strengthened; and
- The systematisation of employee participation schemes through which not only security by law is given, but also legislative grounds that form the detail of worker participation by either collective agreement or by way of conformation to the law (Du Plessis, 1984:20).

Horwitz (1988:103) considered the following as goals of worker participation:

- To reflect managerial strategies aimed at the co-option of workers into a management ethos - an ideological goal is set, using participation and sophisticated management techniques to seduce commitment away from the pursuit of class interests and trade unionism toward the organizational goals of productivity and efficiency. It is a medium through which capitalism and its work processes are humanised in a manipulative form.
- The stakeholder thesis: employees are given a stake in the prosperity of the business and are likely to benefit substantially from its success. It focuses mainly on facilitating wealth creation by linking organizational commitment to rewards.
- The third objective raises the question of employee influence in policy and strategic business decisions, which affect their interests.

Another main goal of employee participation, according to the researcher, is to assign more power to the workforce so that they can manipulate decisions to support their own interests. In short, many unions strive for worker participation as part of their socialistic ideology.

3.6 HOW PARTICIPATION AFFECTS FIVE DETERMINANTS OF ORGANIZATIONAL EFFECTIVENESS

Simply having people involved in decision making will not automatically lead to increased productivity and organizational effectiveness. The determinants that affect the organizational effectiveness and productivity are discussed as follows.

3.6.1 Motivation

Lawler (1986:28) identifies motivation as a result of people's beliefs about the consequences of their actions. People are motivated to perform an action when they perceive that the consequences of the action are favourable to them, in other words that they will achieve goals or outcomes that they desire.

The writings of Maslow (1954) as discussed in paragraph 2.8.3.1 about the human needs are, according to the researcher, relevant to understanding the individual's desires. The needs of people can be satisfied by external and internal rewards.

The motivation theory emphasizes that it is people's perception of a situation that is crucial. Although reality affects perception, people act directly on the basis of their perceptions. Thus individuals must see connections between their performance and rewards, if performance motivation is to be present.

Lawler (1986:29) mentioned in this respect that even though management may tie a number of positive rewards to a particular level of performance, they can still find that individuals are not motivated to perform at that level, simply because they do not perceive that they can achieve the specific level.

The motivation theory suggests that people will be motivated to perform well when three conditions prevail:

- Rewards are tied to performance.
- The rewards that are tied to performance are valued.
- Effective performance is perceived to be achievable.

Participation in decisions can affect motivation, but it is not a straightforward relationship. Firstly, it depends on people's need for control, competence, achievement, self-fulfillment, and personal growth. It is these needs that are satisfied by participation.

"Participation has thus the effect of stimulating or creating a connection between a particular level of performance and the reception of intrinsic rewards. This means that participation in goal setting can have a significant impact on motivation" (Lawler, 1986:30).

The key here is that participation must be concerned with important work performance issues in order to influence motivation. One clear implication is that giving people a say in issues such as how the parking lots will be laid out, how recreation money will be spent and so on, may have no impact on their motivation to perform their job well. Only participation in work performance decisions is likely to affect performance motivation. Participation in financial success of an organization can also have a direct, strong impact on motivation. If money is important to the work force, and if there is a clear connection between pay and performance, money will be a motivator.

3.6.2 Satisfaction

The concepts of motivation and satisfaction can easily be confused. They are closely related but different in the fact that motivation influence people by forward-looking perceptions concerning the relationship between performance and rewards. Satisfaction on the other hand refers to people's feelings about the rewards they have received. Thus satisfaction is a consequence of past events while motivation is a consequence of their expectations about the future. The assumption can thus be made that people can be satisfied in their jobs, but not particularly motivated to perform them well.

When people have needs for control, participation, self-esteem, and self-fulfillment, the opportunity to participate in decisions and control their own work leads to higher levels of satisfaction. The absence of participation can be a serious cause of dissatisfaction and organizations that do not provide these opportunities may find themselves with high rates of absenteeism and rapid turnover (Lawler, 1986:33).

3.6.3 Acceptance of change

Major organizational changes normally bring about a high degree of resistance from the workforce. The problem of resistance is fundamental and pervasive because of the rapid changes in today's society and the consequent need for organizations to change (paragraph 5.6, for workplace change).

Participation in decisions that involve changes in the organization represents a potential approach to overcome resistance. Lawler (1986:34) identifies at least three processes when people participate in change:

- A motivational process that is related to people becoming psychologically committed to install the change. Their intrinsic rewards and sense of self-esteem become tied to the successful implementation of that change. As a result, they are motivated to see that the change is successfully implemented and even that it is successful once it is implemented.
- The second process involves the nature of the change – when people participate, they structure the change to be desirable to them and they perceive consequences of the change. In the absence of participation, people often do not want some feature of the change or do not understand the change and as a result perceive it as a negative event, even when it is not.
- Communication is a third area in which participation can reduce resistance to change. More communication can aid acceptance by producing better understanding of the change (see paragraph 5.6.1. on factors that determine effective workplace change).

If people are not involved in the decisions, they perceive change as a threat to their job security, even though it may in fact improve their jobs. It thus appears to the researcher that when people are given a significant role in designing a change, the change will be accepted more readily and the resistance to it will be overcome. This does not mean, however, that the change will necessarily produce a higher quality worklife.

3.6.4 Problem-solving

Three conditions need to exist for effective employee involvement in decisions that affect their work situations for devising better work methods and for solving important problems, namely:

- Employees' need to be knowledgeable about issues for which they are devising solutions;
- Employees must be motivated to solve the problem in a way that is consistent with the best interests of the organization; and
- Mechanisms must be set up to facilitate the implementation of the solutions.

When issues concern a particular work area, the person who does the job often has the best knowledge of the work to be done, and therefore has the relevant expertise to solve problems and improve work methods. It must be remembered, according to Lawler (1986:35), that in the problem-solving process an employee may not have the knowledge and expertise on issues of a broader scope than those which concern the individual's immediate job, thus his solutions may be impractical. Employees may not be motivated to devise a solution that is in the best interest of the organization.

Individuals often lack problem-solving skills that are needed to identify valid solutions and to develop arguments for their implementation. They may lack critical group skills that are needed in the problem-solving process. It is therefore crucial to determine the degree to which the relevant skills and information are present.

The researcher thus draws the conclusion that decisions often require the input from multiple work groups as well as staff groups from the engineering-, accounting- and other departments.

3.6.5 Communication

One of the most important payoffs derived from allowing people to control their work and function in self-managing work teams is improved communication and co-ordination. In problem-solving groups such as quality circles, people learn how other jobs are done and how to co-ordinate efforts to work together better.

For communication and co-ordination to improve as a result of the participative process, Lawler (1986:37) claimed that employees need to be trained and have knowledge of the relevant issues. They need to have communication skills to interact effectively with others and also be motivated to use the knowledge of how others function.

Taking part in decisions can significantly increase employees' knowledge about the overall operation of the organization. It can facilitate co-ordination and communication among different work units.

Communication is the medium through which people interact and relate. If there is no effective communication, people will not be able to relate and no sound relationships can be fostered. Management does not "handle" people, according to Kemp (1992:53) but motivates, guides, and organizes people to do their own work. The only way to do this is by spoken or written communication. The onus firstly rests on the parties to transmit their messages in such a way that the receiver understands it, and secondly to understand those who communicate with them.

Efficient and effective communication processes with the ability to reach every worker in an organization are an absolute necessity. Workers who are informed of what is happening in an organization tend to feel important and part of the organization. But workers who see things happen without being made aware of them tend not to care and they actually do not become part of the organization (Teke, 1997:29-30). If workers are involved and informed of developments in an organization they also want to be part of those developments and they will not think of sabotaging some of the developments. Not talking to the workers or keeping them uninformed promotes an

undesirable spirit. Communication should be an empowering tool in the organization and not a system that is less efficient than the grapevine.

Kemp (1992:54) points out that one of the main features of democracy is the more open, honest communication which one finds in organizations. Certain barriers can develop during communication and these will be discussed briefly:

3.6.5.1 Managers **switch off sources of information** by making comments such as "I already know that" or "that's old hat, tell me something new", or worse still "I don't want to hear about problems, only solutions". Sometimes management gives superficial, trite advice on how to handle a complex problem. This is usually done with the aim of getting the workers out of the way as quickly as possible. In doing this, management is merely communicating that the problem is not important or that they are not interested in the welfare of the workers. A form of rejection can also develop when management says that they do not have time to discuss the issue.

3.6.5.2 The art of communication is **active listening** whereby the listener reflects back to the speaker what he understands so that the speaker can "see" what the listener has heard and correct any misunderstandings if necessary.

3.6.5.3 The receiver has the responsibility to ensure that he understands the speaker. **Failing to seek clarification** can lead to misunderstandings.

3.6.5.4 To **ensure correct transmission and receipt of the message** the speaker should ask for feedback from the listener. This procedure is only necessary when important instructions are given or when it is vital that no misunderstanding should arise.

3.6.5.5 **Refusing to see the other person's point of view** creates a hostile climate. It does not mean that one has to accept that point of view in understanding another's point of view. People become set in their ways, end up defending their view vehemently and switch off to alternatives.

3.6.5.6 **Refusing to communicate with those who do not agree with one's viewpoint** creates a form of self-imposed censorship where people feel threatened when their point of view is questioned, and then tend to avoid those who do not share their outlook, or if they are subordinates, cut them short when they disagree or make fun of their views.

3.6.5.7 If one party harbours angry feelings towards another party, both parties should discuss the matter in order to correct the problem. If not, it will sour their relationship because the other party

will pick up the other's true feelings that are impossible to hide completely. The result will be that they will **become over-emotional, thus ceasing to be rational**. The other party then switches off sources of information. Tools to handle feelings and emotions are empathy, acceptance, sincerity and concern for wellbeing.

3.6.5.8 **Failure to express feelings or opinions directly** is the result of fear of conflict that leads to the expression of feelings or opinions being suppressed. Bottling up leads to a breaking point, which emerge in a tirade of anger. It prevents understanding between the parties involved. Honesty thus plays an important role – if one party feels angry with another and fails to express and work through those feelings, it causes tension in the parties concerned and in their relationship.

3.6.5.9 **Judging the other party** within an incorrect framework can lead to misunderstanding. These judgments are seldom based on fact and are simply manifestations of prejudice in the true sense. The following should be guarded against:

- Jumping to conclusions;
- Making unfair assumptions; and
- Listening to hearsay evidence without verifying the truth or accuracy of it.

3.6.5.10 **The desire to say your piece at all costs** leads to rehearsing in one's mind what one would say during the time the other party speaks. While doing this, one fails to listen to what is being said. Even if the listener does listen, he says his bit when the speaker has finished, even if it means that he changes the subject. When this happens, the flow of communication is broken and communication is severely disrupted.

3.6.5.11 If managers feel unsure of themselves in certain situations or with certain people, they tend to **compensate for their feelings of inadequacy** by talking a great deal to hide their feelings, in order to convince the other party that they are actually confident. The result is a tendency to dominate the conversation and steering it in the direction they want, and communication becomes a one-way street. Management should thus be trained in order to be confident in all their dealings with their employees.

3.6.5.12 **Having a bicyclist personality** is to bow to superiors in the organization and trample on those below. The bicyclist personality listens only to superiors and ignores the opinions of those below him.

3.6.5.13 People have a need to maintain their view of the world. Communication or information

which questions this order causes dissonance, which in turn elicits a defense mechanism to prevent the disturbance. For instance, a racist may **distort the message** of all people being equal as a threat to losing his job to someone from a different race because, according to him, liberals are trying to destroy the old order. Usually management sees messages from workers as a political ploy and therefore does not respond appropriately. Workers in return may perceive management messages of profits that have been low, as a message to exploit them. They just do not believe that profits could ever be low.

3.6.5.14 Most people have tunnel vision, in other words they are **narrow-minded**. They fail to place themselves in the other's shoes and see the world through another's eyes.

3.6.5.15 **Distrusting/ suspicion of the speaker's motives/ intentions**. Collective bargaining is described as a form of legalized deception because the employers have always pleaded that they are not in a position to grant the increases which the employees demand, yet, when it comes to the crunch, they seem to be able to pull something out of the bag.

3.6.5.16 **The desire for one-upmanship** means that managers often want to show how smart they are and respond only to certain parts of a message rather than the whole, looking for parts to fault to show their superiority.

3.6.5.17 **Deliberately misleading the other person**, whereby a loss of credibility is created. Sometimes promises are made that are not intended to be kept. Management must be congruent in their saying and doing.

3.6.5.18 **Selective perception** means that only relevant and important information is being selected. Usually the time factor plays a role here, in that the parties do not always have the time to pay attention to everything. It takes place subconsciously most of the time and the parties' prejudices determine who will be listened to and who not.

Kemp (1992:64-65) points out certain solutions to overcome communication barriers in general. He implies that the main weapon against these barriers is in the hands of management. It is important that these barriers are taken into consideration.

As far as providing information to the employees is concerned, management has many avenues open to it, such as:

- Briefing groups;

- Company newsletters;
- Consultation with employees;
- Quality circles or similar groups; and
- One-to-one interaction with employees.

The researcher questions the statement of Kemp that the onus of effective communication rests only on management, since communication is not a one way process from management to the union only. But the union has as much responsibility to communicate effectively with management. And even though the avenues provided above for communication can be used, it still does not guarantee effective communication between the two parties. Perfect communication can seldom be obtained. As long as there are communication, barriers will exist, although some steps may be taken to make communication more effective.

3.6 INTERPRETATIONS OF WORKER PARTICIPATION

Cangemi (1988:5) claims the following in terms of participative management:

- Workers are only involved in the decision-making process, and are thus not asked to make decisions. Participative management is therefore not democratic management. However, the manager is very much interested in the thinking and input of his workers, especially in decisions that will affect them;
- Participative management relies on the perception of workers that management can actually be influenced in its decision making;
- This does not suggest that management cannot make decisions that workers will reject - indeed they can. Managers will take time to involve workers in the decision-making process before they make significant decisions. Time will be taken to obtain feedback from the workers, before the final decisions will be taken;
- Participative management suggests to the workforce that:
  a) a decision has not yet been made and management values input from the workers before the making of a decision; or
  b) the decision has already been made and workers' contributions are being sought in an effort to find the best way to implement the decision (workers can adapt to a decision, in which they have had and input, even when they disagree with it);
- Participative management offers to an organization the most positive medium for combating resistance to change. When the workforce is involved, they can accept changes more readily, even changes they may not agree with or dislike;

- Participative management is time-consuming for effective interaction between the parties in terms of ideas and feedback;
- Effective participative management can only be developed on a philosophy of positive, optimistic and trusting attitudes from the parties involved;
- Participative management, although not the only management style, does appear to contribute to the developing and maintaining of a trusting labour-management relationship; and
- Quality circles offer to workers the finest opportunity for rich and substantial participation in activities and problems of the organization (paragraph 4.3.6).

Anstey (1990:3-4) identifies three different interpretations, because there exists no universally accepted meaning for the term "worker participation".

3.7.1 Socio-political concept of philosophy

This approach reflects the idea that employee self-management prevails in organizations either owned by employees or the state. An elected group of representatives exercises the managerial function, which has responsibility for organizational decision-making including the allocation of profits or surplus value.

3.7.2 Generic term

This implies all processes and institutions of employee influence within organizations, ranging from simple managerial information giving through joint consultation, to collective bargaining, works councils and forms of worker control.

3.7.3 A phase in the evolutionary development

A move beyond traditional joint regulation processes, such as collective bargaining and mere information giving and consultation, to new levels of shared responsibility and shared decision-making. Employee participation can be seen as an extension of the relationship, complementary to, rather than a replacement of, traditional adversarial collective bargaining.

The rights and needs of employees, individually or collectively, are recognized through a philosophy or style of organizational management in areas of decision-making beyond that which are normally covered by collective bargaining (Salamon, 1987:296).

Various forms of employee participation can be promoted by differentiating between three constituent elements according to Anstey (1990:4) namely:

- The method or extent of participation – direct forms of participation reflect active individual involvement in decision making processes, and indirect forms take place through elected representatives;
- The level in the organization – work station to board levels of participation; and
- The scope of participation – task centered participation tends to be on a lower level and direct and is primarily concerned with the operational work situation; on a higher level, indirect forms of participation tend to be power centered and focus on managerial authority and decisions which determine the framework or environment within which operational decisions have to be made.

3.8 INITIATORS OF DIFFERENT PROGRAMS

Poole (1986:46-47,92 & 131) focuses on the initiators of the different participative programs, because they require a certain measure of power to bring any specific scheme into effect (see tables 5, 6, 7 and 8) (see paragraph 4.3 on direct and indirect participation). It is important to consider that Poole's representation of the initiators of the different participative forms are based primarily on Britain and other countries' experience and not on the South African situation. The researcher will therefore only briefly look at some participative forms that will be studied in Chapter 4.

Table 6: Forms of participation initiated by management

Direct participation
1. Piecemeal attempts to raise production and efficiency while reducing conflict and increasing workers' satisfaction on the basis of workgroup participation, and quality circles.
2. Disclosure of information.
3. Job rotation, job enlargement and job enrichment.
4. Suggestions schemes, co-partnership and "commonwealth" ventures.
Indirect participation
1. Joint consultative committees.
2. Specific committees covering productivity, welfare and safety, the administration of various trusts, funds and occupational pension schemes.
3. Productivity bargaining and job evaluation.

Source: Poole (1986:46)

Table 7: Forms of participation and control initiated by the workforce

Direct participation and control
1. Control by craft-groups over hours and conditions of work.
2. Demarcation and control over "job rights.
3. Workgroup practices.
4. Producer co-operatives.
Indirect participation and control
1. Workers' control, syndicalism and industrial unionism.
2. Guild socialism.
3. Shop-steward movements and other plant based systems of worker representation .
4. Factory occupation, work-ins and takeovers.

Source: Poole (1986:47)

Table 8: Forms of participation initiated by union officials

1. Collective bargaining.
2. New technology agreements.
3. Union segments in plants.
4. Union ownership.
5. Trade unionism under socialism.

Source: Poole (1986:92)

Table 9: Forms of participation initiated by government

1. Works councils.
2. Co-determination and other 'worker director' schemes.
3. Self-management and worker council systems.

Source: Poole (1986:131)

3.9 KEY FACTORS THAT PLAY A ROLE IN THE INTRODUCING OF PARTICIPATION

3.9.1 The role of legislation and agreements

A question frequently discussed is whether participation systems should be implemented by legislation or by agreements. According to Anon. (1981:39), two objectives must be taken into consideration, namely the gaining of the greatest possible support of the parties involved and the adaptability of the organization and society so as to arrive at the best possible functioning of the system chosen.

The above question depends widely on the national tradition of a country. Some resort to legislation to regulate labour relations, while others prefer to deal with such matters through negotiation. However, the choice between law or agreement seems to be determined mostly by the form of participation that is selected.

3.9.2 Training and education

In order for a participation scheme to be adopted successfully and implemented effectively, it is important that the necessary information about and explanation of the scheme involved, should be given to those that will have to make it work. The extent of the training needed for participation will be appreciated if one considers the knowledge needed in fields as diverse as economic and financial questions, company and labour law, personnel policy, remuneration, etc. The researcher believes that the frequent rotation of worker representatives necessitates an increasing need for training, as does the low level of education of many of the workers in developing countries.

The main objectives of education and training for all those involved in participative systems appear to be: firstly, the acquisition of systematic knowledge and experience in participation; secondly, the development of positive attitudes toward the democratization of the workplace and work processes; and thirdly, the recognition and handling of power relationships (Anon., 1981:338).

The researcher is of opinion that the importance of economic education can be seen in the lack of knowledge and understanding of basic economic concepts of the workforce on the shopfloor. The effects can especially be seen in the affirmative action programs that have been implemented in South Africa to get rid of the apartheid system. Because the affirmative action program was hastily implemented and no real consideration was given to training and educating the workforce, it led to decisions being made on emotional grounds. It is necessary that educational programs consisting of basic economics should be designed to suit the basic needs and functions of the workers and their representatives at various levels.

Another important issue that should be remembered is training for the members of the works council in handling power. There are differences in the degree of power exercised by the various members

of works councils. For example, managers and top specialists have more expertise and information about problems pertaining to the organization than ordinary workers, simply because they spend more time on such aspects as financial resources and relationships between technology and production, and between the organization and outside influences. These are crucial to the survival of the organization. Managers and specialists have more experience in communications and human relations.

Obstacles to training that should be taken into account are: firstly, the number of people to be trained (which can sometimes be too great a task to be handled by just one party); and secondly, releasing employees from work for training purposes. For example, granting paid educational leave could greatly facilitate the training and education of the work force representatives, but it does mean that they will be absent from their actual job at the organisation. (See Rousseau's theory on education in chapter 2).

3.9.3 Information

Unfortunately training is not all that is needed to enable worker representatives to understand what are being discussed in participatory bodies - the necessary information is also needed. The researcher is of opinion that the attitude of management and its readiness to participate are important in this connection. Sometimes the feelings still exist that certain information is managerial prerogative and should only be disclosed if there is an obligation - on the part of the worker representatives receiving it - to keep it secret.

Sometimes experts on certain subjects are called from either outside or within the organization to assist members of works councils and other worker representatives on certain matters of information. (See paragraph 4.3.1 on information and consultation). Reasons such as the following are given for the disclosure of information (Anon.,1981:331):

- Disclosure of information will lead to rational and objective bargaining;
- It may lead to the moderation of unions demands;
- It will redress power imbalance and will enable them to bargain as "equal" partners;
- It will assist unions in "mapping out" their strategy to strike, when management can least afford a strike, and will force management to justify their decisions;
- It can promote acceptance of redundancy and the need for co-operation and change to avoid it;
- It may give an advance warning and the need to prepare for organization occupations and other forms of resistance; and

- It is a means of exposing antisocial practices of capitalism and of extending the scope of collective bargaining to such issues as company investment and other economic policies.

Problems that may be experienced by the disclosure of information (Anon., 1981:333-337):

- The assumption is made that the disclosure of information can bridge the gap between the goals and values of unions and those of management, with the view that information is accurate, objective and absolute. But it is unlikely that information will at all times be accepted or given its due weight by the trade union;
- Unions demand not only more information but also insist that new and simpler methods be found for giving correct information in comprehensible terms;
- Confidentiality of information:
  - i) Legal provisions whereby employers are authorised to withhold certain information;
  - ii) The obligation of worker representatives on joint decision-making bodies to keep the information secret, creates a dilemma for the unions;
  - iii) Confidential information could be used by unions to enhance their influence and power and even to achieve their political ends;
  - iv) Unions can undermine the position of management in collective bargaining;
  - v) A tendency to interpret disclosure of information obligations to suit the party's own purposes.

3.9.4 Other factors

The extent and the potential development of participation depend on:

- the degree of autonomy of an undertaking;
- its structure and size;
- the dispersion of its personnel; and
- the degree of complexity of its technology.

Upholding of certain rules, such as:

- to reply within a given period to proposals or requests;
- to give reasons and explanations in the case of rejection;
- to give reasons for refusal of approval in case of a question requiring joint decision making;
- chairing and frequency of meetings, etc. are also of great importance in achieving genuine participation.

3.10 SHOP STEWARDS

In Sweden every problem which arises at the workplace can now be the subject of negotiation, including work allocation, which was strictly a management prerogative. The employer is under an obligation to negotiate before introducing any important change such as a change in activities or the reorganization of production methods.

Shop stewards are usually formed into committees and initiate more or less formal negotiations with the management and represent workers in grievance procedures. They are either elected by the workers or appointed by trade unions. The decision-making powers of shop stewards at shopfloor level vary considerably, so that although the overall economic climate clearly affects workplace-based union activities. Other factors help to explain differences in the degree of influence wielded by shop stewards *per se*; principal among these are technical circumstances and the values of the stewards individually and as a group. According to Poole (1986:116), two technological characteristics have an effect on the workshop organization of stewards; namely, the size of the undertaking and the level of skill or knowledge demanded by given technical processes.

3.11 LEADERSHIP

A courageous and responsible leadership is required to lead shifts in strategy and position. A leader with a vision is able to regenerate an organization, restructure its operations and improve its performance through a more creative engagement with workers, and the qualities of leadership to see the vision through (Anstey, 1990:26).

Some leaders believe the performance of an organization depends upon the quality of its personnel. This is according to Maritz (1995:8) a flawed premise, for in reality it is the quality of the organization's leadership which will dictate whether or not the talents and commitment of its people will become manifested and expressed in the work of the organization. A cultural support structure is needed for involvement, which assures worker access to all of the elements of the problem-solving process. Leaders within high performing cultures work with workers to create a structure, which ensures workers access to:

- the problem;
- one another and to any other personnel who affect or are affected by the problem;
- needed resources such as information, budget, tools, consultation or training,

- emotional support for expression of novel or unpopular opinions, and permission to take risks; and
- the solution itself.

These leaders should be trustworthy. They should have high credibility among their co-workers because their deeds have to be consistent with their words. Trust provides linkage with other elements of the organizational cultures. Without trust and credibility, for example, leaders will find their invitations to participate ignored or refused outright. Leaders set the norm for trusting relationships by communicating effectively with others and encouraging them to do the same.

Leaders of high performing cultures not only share their organization based power with those who need power to do their best work, they use their power to protect the integrity of people's work processes from external interference.

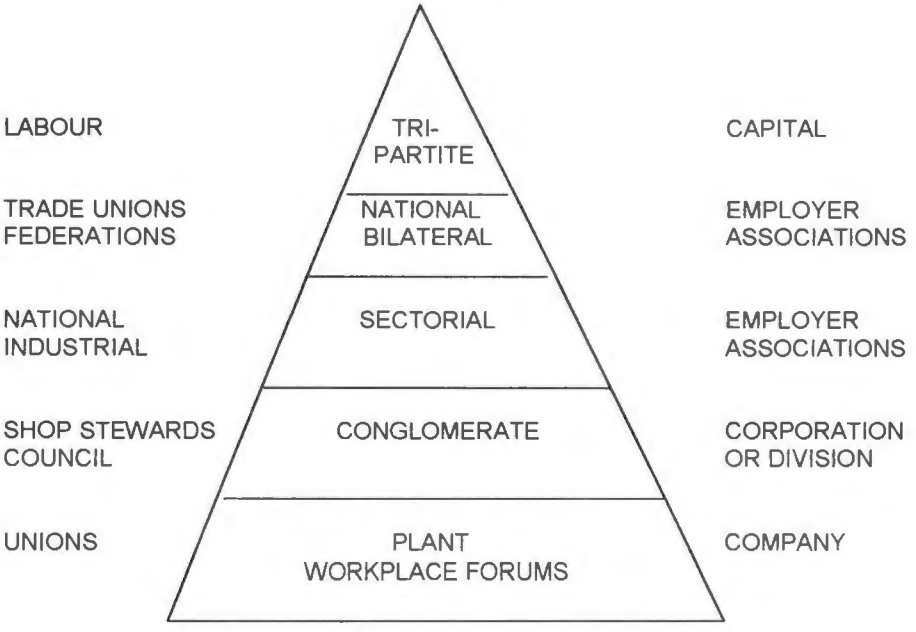
Maritz (1995:12) states that leaders create authority relationships based more on the expertise appropriate to task accomplishment than on rank or privilege. As experts on their own tasks, people are allowed and encouraged to exercise their personal judgment in establishing priorities, pacing, processes and the like. In other words, the norm in high performing cultures is for people to manage their own work and they are empowered by their leaders to do so, free from interference. (See paragraph 5.6.3 on empowerment).

3.12 ADVERSARIALISM - BILATERALISM

Privatisation and deregulation are taking place in order to promote economic development. "But democracy is not a necessary condition for economic development" as Douwes-Dekker (1989:145) stated. Hence the importance of achieving expression of industrial citizenship through cohesive federations of unions and employers' associations and promoting bilateralism as a mechanism for establishing the parameters of social policy.

Anstey (1990a:9) refers to a number of bargaining levels that move from plant level to relations through national organizations on issues of macro-significance for the country as a whole. Nationally organized employer and labour groupings would establish collective bargaining around rules and engage on issues of resource distribution and social policy including matters such as social security, economic development, manpower, taxation, unemployment and job creation, health and safety, education and training.

Figure 13: Levels of collective bargaining



Source: adjusted from Anstey (1990a:10)

Thus, at national level a twofold objective for agreement between the parties implies:

- the provision of a framework of basic principles to guide industrial relations practices at other levels; and
- macro-economic trade-offs between employers and trade unions in response to national needs.

The researcher changed figure 13, by placing workplace forums at the bottom of the triangle, since workplace forums are a new concept brought in by the new Labour Relations Act of South Africa (paragraph 4.3.3).

A system of self-governance in the organization has been suggested that would not be proposed by the state or require its intervention or support, but would lay the basis for influence on government policy, allowing the evolution of the tri-partite relation. Anstey (1990:11) suggests a social corporatism to moderate state control and allow the evolution of a state democracy.

A move beyond adversarialism demands new managerial styles, new union roles, new areas of joint responsibility and shared decision-making styles, organizational restructuring and information sharing, new communication systems, and joint training and commitment from top management and trade union representatives.

Organizational theorists traditionally believe that participative endeavours can only succeed where there is a strong climate of trust between individuals and a preference for co-operative - rather than adversarial - relations. The question is whether such relations are the cause or the consequence of co-operative endeavour, and whether adversarial relations are necessarily incongruent with co-operative relations.

Anstey (1991b:182) is of opinion that a reconfiguration of power relations and the reconfiguration of traditional adversarial roles are inevitable when unions achieve extended decision-making over managerial prerogatives. Thus it hardly makes sense if unions involved in co-determination strike over decisions which they had been involved in devising. Logically one might expect a shift to co-operation and a decline in adversarialism in such situations.

3.12.1 Factors that determine South Africa's potential for bilateralism

Douwes-Dekker (1989:136-144) gives the following perspective on factors that have shaped (and still shape) the labour relations in South Africa, namely:

3.12.1.1 The dualistic nature of the economy

Socialism has "crept" into the South African economy; this is reflected in requirements that insurance investments be held in government and other public sector stock. The following are, for instance, controlled by the state: the railways, television and radio services and control over industries through the Industrial Development Corporation (IDC). IDC companies are Iscor (steel), Sasol (coal and gas) and Alusaf (aluminum) etc.

The IDC and the Development Bank are tackling the financial and infra-structural problems of township development, and the role of the Regional Services Councils is to redistribute financial resources from white to black areas; this represents socialist tendencies.

3.12.1.2 Sound labour relation principles

Labour relations principles, including an early distinction between conflicts of interests and conflicts of rights and self-governance in terms of industrial councils as sectional bi-partite forums (providing for negotiation of procedural and substantive agreements) were established by the 1924 Industrial Conciliation Act and subsequent legislation.

3.12.1.3 Racism

The Wiehahn Commission's recommendations have been tainted by racism as part of the strategy of controlling entry into jobs, such as legal job reservation. This was removed in 1988 although the social colour bar had remained for quite a while. Some of the major recommendations were:

- All persons working for an employer were included in the term "employee";
- Cancellation of the provision for ministerial approval prior to the registration of mixed unions;
- The job reservation clause (Section 77) had been repealed;
- A definition of an "unfair labour practice" had been added; and
- Provision has been made for worker committees to take over the Black Labour Relations Regulation Act. The works councils perform such functions as may be agreed upon between the employer and employees concerned (Bendix, 1996:244).

3.12.1.4 The conglomerate factor

This implies that economic power is being concentrated in conglomerates that impacts on utilization of the labour relations system. These conglomerates employ legal and industrial relations consultants, who can facilitate or repress the development of sound relations with unions.

3.12.1.5 Industrial unionism

The replacement of membership of COSATU and other metalworkers unions by NUMSA resulted in the craft unions as the key bargaining agent in the annual negotiations of the organization.

3.12.1.6 Dynamics of the workplace

The intended and unintended consequences of decades of separate development (based on the assumption that the urbanization process of black people could be not only halted but reversed) created an unprecedented gap. The question is whether employers can afford to fund and be involved in the provision of all neglected community needs. Will their involvement not bring the realization that they cannot afford the costs, as the driving demand for equity increases expectations, particularly of conglomerate social responsibility programs?

3.12.1.7 The transition period

Market forces will continue to be the guiding mechanism dictating the nature of economic activity, even though forms of planned State economic intervention will assist the plight of the disadvantaged. The danger does exist of co-optation into the current government's definition of how reform is to be processed, and the powerful hold of an "unfettered capitalism" ideology on business leaders committed to a free market, which sees no role for social policy direction in a society. Douwes-Dekker (1989:162-163) states that the institutional mechanism of bilateralism underpins industrial citizenship and reinforces incentives for union membership whereby its maintenance is assured for union leaders.

The system of self-governance resulting from industrial citizenship:

- provides structures for national influence irrespective of which government is in power;
- ensures that trade unions do not become caught in "workers egotism";
- forces capital to transform the self-righteous paternalism of social responsibility programs into joint activities with independent unions;
- requires assessment of the propensity for organized capital and labour to consider the implications involved in social policy-making and responsibility for its implementation; and
- establishes societal gains for the unemployed and the disadvantaged. Unions can avoid being labeled (or becoming) a labour aristocracy, for example by promoting welfare property rights.

To move beyond adversarialism is complicated by some factors like trade unions which, on the other hand, are not attracted to the idea of co-operative endeavour with employers whom they perceive to be architects of oppressive laws, or allies in their use. In this regard, clearer, more coherent stances on apartheid and labour laws are required from employers. Likewise, employers are not excited by calls to move outside the framework of the law or share decision-making with trade unions. For they are either unable or unwilling to abide by agreed procedures, whose members are involved in acts of intimidation and violence, who advocate measures likely to damage company viability and who promise a future of blanket worker control. According to Anstey (1990:25 & 27), it has been argued that the required flexibility can only emerge when all parties to a problem share a perception of common crises. A move beyond adversarialism demands new managerial styles, new union roles (see paragraph 5.5.3), new areas of joint responsibility and shared decision-making styles, organizational restructuring and information sharing (paragraph 4.3.2.5), new communication systems, joint training and education (paragraph 3.9.2), and commitment from top management and trade union representatives.

To the workers themselves, the adversarial model is of extremely limited value in terms of self-fulfillment and personal growth. Collective bargaining (paragraph 4.3.2) and the pluralist structure (see paragraph 2.6.2 on pluralism) in general do not reduce bureaucratic hierarchy, but rather endorse it by elaborating the terms on which it should operate. Adversarialism, according to Powell (1993:222), stresses the conflict between capital and labour. Identification with organized labour may therefore promote a sense of power, but to individual workers submitting to the authority structure of the organization (the opposing power in this bargaining battle) collective bargaining is more likely to stress the worker's subordination.

3.13 EDUCATION AND TRAINING: THE CORNERSTONE OF PARTICIPATION

During the course of this study it became clear to the researcher that management, workers and their representatives need training for effective implementation of participative decision-making systems. The main objectives of education and training for all those involved in participative systems appear to be:

- The acquisition of systematic knowledge and experience in participation;
- The development of positive attitudes toward the democratisation of the workplace and work processes; and
- The recognition and handling of power relationships (Jain, 1980:338).

It is clear that the lack of economic education among the black workforce in South Africa could lead to decisions being made on emotional grounds. It is therefore necessary to design educational programs of basic applied economics suited to the basic needs and functions of the workers and their representatives at various levels. The educational and training needs of different target groups will vary and therefore the type of program will also differ.

According to Jain (1980:339), the focus of education and training will differ in various countries because of the differences in their legislative and institutional agreements. For example, in the Netherlands and West Germany, union representation at plant and organizational level is indirect, while the main educational effort is directed at the members of the works council. Where unions are directly involved with worker representation at various levels of the organization, education will be directed entirely at the shop stewards. In countries where there is a dual system of works council and shop stewards at plant and organizational level, the distinction between the role and functions of the shop stewards and members of the works councils becomes blurred. This creates problems in terms of training needs.

Aspects that need to be considered in the planning of training and educational programs are: firstly, the numbers of people to be trained; and secondly, release from work for training purposes. The education and training of workers and management is an important contributory factor in successful participation. Educational and training programs not only provide workers and managers with the required knowledge and skills for effective participation in consultative and decision-making bodies, but also help to develop the necessary co-operative attitudes. Experience has shown that the legislated or negotiated participative schemes cannot be made to work effectively without prior appropriate changes or improvements in the attitudes of all interested parties.

The major reason for the relative lack of success of participation in some African countries such as Zambia, Mali, Tanzania or Togo, was the absence or almost complete lack of any education and training as to how to participate; to understand it, or to be capable of playing a significant role in it. The lack of education makes for passive participants in the works councils and creates a feeling of inferiority among the worker representatives. They expect training and education to come from the trade unions. "An effective worker education policy requires an immense strengthening of present systems and structures. Above all, these structures must be designed to last. The democratic aspirations expressed by so many elected representatives reveal the need for training. Education also represents an investment for a trade union, which is on the offensive, and well adapted to the changes the society is undergoing. Solutions to tomorrow's problems will depend above all on whether worker education is accepted as a central part of the trade union fight ." (Kester, 1991:80-81).

Through education and training, representatives can become true agents of democracy. They must know that the apprenticeship of democracy is a slow and difficult process. (See on empowerment: paragraph 5.6.3).

3.14 BENEFITS AND DISADVANTAGES OF WORKER PARTICIPATION

Employee participation programs enhance organizational performance. Cooke (1994:595) mentions in this matter "...that employees generally have more complete knowledge and information about their work, tasks and processes and are thus in a better position than managers to plan and schedule work, to organize work tasks and to identify and resolve obstacles to achieve optimal performance".

Cooke (1994:57) further identifies the following benefits:

- Employees gain a greater intrinsic fulfillment that leads to work satisfaction, which is a motivation for employees to strive for the goals of production;
- The availability of information increases mutual trust between the parties and develop among employees the "notion of belonging" so that they will commit themselves to the organization's goals;
- Employees are more flexible and are more responsive to changes in the human resource policy, and thus less resistant;
- Employees will use their power more constructively.

St. Lawrence and Stinnet (1994:57) join Cooke in that they claim that:

- Worker participation provides new ideas that can offer the organization unlimited possibilities in decision making;
- Communication can flow uninterrupted between the parties; this will lead to greater understanding and insight in the others' decisions, and will bring greater trust and less resistance to change.

Lawler (1986:37-38) identifies higher motivation, satisfaction, better decision quality and less resistance to change as advantages of participation in decision-making, and includes the following:

- Less resistance to new work methods and procedures. The problem-solving process may also produce innovations.
- Improvement results from increased satisfaction and involvement.
- Increased flexibility results from cross training and teamwork.
- Higher motivation and better methods increase product and service quality.
- Higher motivation and better methods increase the rate of output.
- More self-management and broader skills reduce the staff support level.
- Better communication and improved union management relationship reduce the number of grievances.
- Better input and decision-making processes improve the quality of decisions.
- Problem-solving as well as technical skills are developed.

Even though there is a great advantage for an organization to implement participation schemes, there are some drawbacks as well:

- The implementation of employee participation goes hand in hand with higher costs as the workers (and according to the researcher, the management as well) have to be educated and orientated in terms of participation;
- The process takes longer, for more partakers have to make decisions. Because more communication has to take place, the cost of the transaction is much higher;
- Some workers do not have any interest in participation and would not be motivated by the implementation of any participation schemes;
- In areas where some forms of participation are implemented, less supervision may creep in, resulting in workers not performing the way that is expected of them; and
- Participation may in the extreme, constitute a threat to property rights, the exercise of authority and the chain of command (Cooke, 1994:595).

The researcher is of the opinion that the advantages of employee participation cannot be quantified, even though many claim that quantification is only to the advantage of the organization, should it be implemented. Employee participation will have advantages in terms of decisions concerning the direct working environment of the worker, such as health and safety regulations. But where participation concerns decision-making in terms of investment, where workers have no sense of accountability in their decision-making, it could prove to be fatal to the organization in the long run.

Lawler (1986:38-39) states the following negative consequences of participation:

- Developing new skills and responsibilities for lower-level participants results in increased salaries.
- If additional skills and knowledge are needed, an increase in training cost is the result.
- Support personnel must increase if a new program creates a new structure that needs support and management.
- A participation program increases expectations for organizational change. If the program fails, dissatisfaction and cynicism may result.
- Middle management and staff support groups may resist the program if the program does not positively affect them.
- Frustration and dissatisfaction may result if training and new experiences that are part of the program expectations for personal growth are not realized.
- Participation takes time and can slow decision-making, because a number of people have to understand and accept the decision.

3.15 PARADOXES OF WORKER PARTICIPATION

The following answers given by Garson (1977:214-228) help to explain that worker participation has the potential to become something that is neither socialism nor simply capitalism with human relations management. Employee participation contains elements of a world order that is an alternative to capitalism or socialism. But the danger does exist that it may recede to a minor variant of either of these two world ideologies.

3.15.1 Are worker participation programs, which seem revolutionary, being poorly adopted in countries with the most liberal worker movements?

If one looks at South Africa's history of apartheid, it is understandable why worker participation is approached with scepticism by the workers. Through the apartheid years a mentality had developed that worker- and political rights can only be achieved through confrontation, and not through collaboration. The acceptance of managerial responsibilities can be seen as a form of co-optation and manipulation.

In comparison to countries like West Germany (with a moderate stand due to its ideological distance from communism), Italy (with the communist-dominated labour movement) and Sweden (with a social democratic labour movement), labour relations practices moved in the direction of greater employee participation in management within the context of limited overall power. The statement that workers' control is weakest in countries with the greatest degree of radical (Communist) unionism is thus not a paradox in a real sense.

3.15.2 Where the rise of worker participation movement corresponded to a period of prosperity, is it believed that prosperity makes capitalism better able to resist the working class radicalism?

When workers prosper under capitalism, the system is being supported and radicalism languishes on the sidelines of politics. It seems thus paradoxical that worker participation has arisen in West Germany at a time when the European economy enjoys relative affluence. Participation in West Germany was implemented after the war, before recovery had really begun. The major aim was for densification and political control and was not dependent on considerations of affluence or deprivation. It was after the reforms that co-determination was seen as a major cause of property gains.

Some believe that affluence is the parent of workers' demand for control. The argument lies in Abraham Maslow's theory (paragraph 2.8.3.1). After a worker's economic needs and needs for

security are met, the worker wants to fulfill his/ her needs for self-actualisation, with which employee participation is thought to be associated.

It is not so much that worker radicalism is advancing in spite of affluence, but rather that affluence has brought a process of deradicalisation and institutionalisation of goals which once had been the epitome of labour militancy. This change brought about the consideration of workplace rights.

3.15.3 Why has it been possible for the worker participation movement to have such success, when voluntaristic collective bargaining is favoured?

Sweden, once a stronghold of purely voluntaristic approach to labour relations, started to move to various industrial democracy reforms compulsory by law. The voluntaristic approach was known through national labour management agreements that sponsored a series of experiments in work democratisation. These experiments, for instance at Volvo, seemed to illustrate the success of the Swedish system and its ability to forge worker/ management unity. The experiments proved to be superficial. These experiments were a response to high absenteeism and labour shortages and were explicitly contingent on no drop in worker productivity. The democratisation involved entailed little more than control over work relations on shopfloor level and more open communications with higher levels. It did not alter the basic (capitalist) nature of the organization or substantially change power relations. Swedish unions became increasingly critical of the democratisation experiments as the experiments failed to spread outside a small experimental sector of the economy. Stagnation occurred because of the unwillingness to democratise higher levels of the power structure of the organization. Unions began to abandon the voluntaristic model in favour of legislated workers' rights. As a result of the failure of the tradition of voluntarism to meet changing industrial needs, a compulsory or legislative approach has arisen.

3.15.4 Why did the current economic problems not cause industrial democracy to fade away in favour of bread-and-butter issues?

Economic recessions are associated with adverse wage trends that force unions to be defensive on employment security, and union leadership hinges on the ability to uphold past gains. Such conditions seem to mean less attention and lower priority for union demands, like employee participation, which are not centered on the bread-and-butter basics.

As mentioned before (p.65), Maslow's theory suggests that demands for participation and self-actualisation are viable only when basic economic needs are met. But is this necessarily the case? In some countries such as Britain the common perception of worker participation as a possible

solution to economic problems can be a factor as employee participation continued to expand in spite of worldwide economic problems. Participation might constitute the basis for a more productive management.

3.15.5 Why is it that, amidst similarities between capitalist countries, unions in one country may demand an increase in participation in management, while unions in another country may not?

Even though there was a lack of government support as well as high unemployment levels in America, employee participation was not taken up by trade unions. The obvious reason was that the lack of a successful socialist tradition in government or labour deprives the rhetoric of industrial democracy of much of its legitimacy and ideological force. It would therefore be surprising if employee participation becomes a cause of major reform in this country.

According to Maslow's theory, the fulfillment of economic needs suggests conditions to be at least as favourable in the United States as in Europe for the development of interest in worker participation. In America, there is for instance over-education of the work force, a rise in participatory political values, productivity problems and alienation from traditional union forms. It thus seems paradoxical that worker participation does not catch on in this country.

The phenomenon can be explained as follows:

- American labour has moved towards wider powers;
- Union collective bargaining has expanded in scope to include many matters of work organization, productivity matters, health and safety matters, and other subjects that constitute the routine fare of European works councils (paragraph 4.3.3);
- Labour's antipathy toward the symbols of co-determination (works councils, board representation) which derives from its peculiar history; and
- Lack of government and union support.

The economic democracy in the United States focuses on the individual worker (for example, his/ her over-education, alienation from work, absenteeism and so on) and not on governments or unions. At this individual level, there is a strong potential for a workers' control movement.

3.16 SUMMARY

In this chapter the researcher has tried to set out a conceptual framework of employee participation by firstly differentiating between direct, indirect and financial participation. This may be partial or total participation which includes different areas of decisions.

There are also certain factors that play a part in the implementation of employee participation, namely:

- The aspirations of workers;
- Politics;
- Power; and
- Social and cultural variables

The way in which worker participation is interpreted will also influence the implementing and effectiveness of worker participation. These perspectives determine the objective way people implement worker participation in the workplace. Firstly, it can be from ethical/ moral motives, or social-political beliefs, the improvement of productivity and profits, or arising from legislative objectives. Worker participation has been proposed to hold the key to the achievement of a wide range of organizational, individual and nation-building objectives:

- Increased job satisfaction is proposed as a vehicle for improved motivation and enhanced productivity;
- A sense of belonging and relevance to increase organizational loyalty;
- Adjustments of traditional autocratic decision making structure and improved communication channels as a means to more meaningful industrial democracy for proper expression of worker rights as organizational stakeholders; and
- Improved problem-solving and lowered resistance to decisions.

If the motive is to improve organizational effectiveness, participation can affect five determinants of organizational effectiveness, namely:

- Motivation;
- Satisfaction;
- Acceptance of change;
- Problem-solving; and
- Communication.

The initiators of different participative programs can either be the state, management, unions or the workers. The role of legislation, education and training, information, shop stewards and leadership has been stressed in the implementation of employee participation. Employee participation can also be implemented on different levels of the organization, and is not restricted to a certain department or work level. It must be remembered that employee participation will only be effective if management and the workforce are willing to move from a relationship characterised by adversarialism to a relationship characterised by bilateralism.

CHAPTER 4

IMPLEMENTATION OF PARTICIPATIVE SCHEMES

4.1 INTRODUCTION

Worker participation is a process which recognizes the right of workers (individually and collectively) to be involved with management in areas of organizational decision-making beyond those usually associated with collective bargaining (Anstey, 1995:2).

According to Salamon (1987:341), worker participation is a process recognizing the needs and rights of employees – individually and collectively – to participate with management in organizational decision-making areas beyond those usually associated with collective bargaining.

Within organizations, options range from participation at organizational shopfloor level (involving direct supervisory-employee relations concerning daily tasks) to high-level participation (involving elected worker representatives). In the latter instance, relations are more power- than task-centered.

If organizations are not competitive, there will be little to manage, co-determine or redistribute at sectorial or national economy levels. Competitive pressures imposed by a global economy mean that labour relations will have to move beyond simple adversarialism and distributive or workplace justice issues. These are important, but it is increasingly apparent that focused, joint endeavour is demanded at the level "where work is done" and that its emphasis must be on "how work is done". In the South African context, this will demand a considerable refocusing of skills and responsibilities by labour and management alike (Anstey, 1991a:2).

The diversity of participation machinery in decisions reflects the diversity of conditions in which the machinery was introduced, developed and continues to evolve – historical, political and cultural conditions, stages of social and economic development, degree and type of industrialization and so forth. According to Anon. (1981:197), these can be classified into the following main types:

- Self-management or related systems such as producers' co-operatives;
- Parity or minority representation of workers on boards of directors, supervisory boards or other management bodies, both in the private and the public sector;
- Works councils or committees, and similar or specialized institutions for representing the workers;

- Collective bargaining, as it is conducted in market economy countries; and
- The operation of trade unions, through the influence they exert on management or by virtue of their own powers, in some centrally planned economy countries, in particular those of Eastern Europe.

Even though diverse forms of participation machinery are set up in many different countries, they tend to have the same objective and display a complementary character, viz. an attempt is made to associate the workers and their representatives in certain kinds of decisions.

Trade unions have argued that management's prime motivation for introducing participative management schemes was to increase productivity, improve worker co-operation, challenge union power and exert other forms of traditional management control. In contrast, trade unions have pushed for greater involvement in workplace decisions through the process of worker control. Worker control advances the idea of broadening and extending worker rights. In its most radical form, the worker control philosophy of participation suggests worker or state ownership of the organization and control of management through elected worker representatives (Pons, 1993:13).

Globally, organizations are seeking to raise quality standards and competitiveness. People, either through their trade unions or as individuals, are being asked to become involved in all aspects of the enterprise that employs them – from workstation to strategic decision-making levels. Of course, traditional debates around co-optation and control do not disappear. However, internationally, the nature of enterprises, of management, of trade unions and of work processes is changing. Employee participation is a part of new forms of production processes and work organization.

Anstey (1991a:3) identifies three different types of worker participation, namely:

- Suggestion involvement: this is usually generated through structures such as quality circles which are parallel to the formal structure, and demand no change to its formal design elements;
- Job involvement: this reflects forms of participation whereby workers, in self-managing work teams, assume more control over daily decisions affecting their jobs and automatically change work design; and
- High involvement encompasses the first two mentioned, but goes further by including workers in the management of business. Extensive changes, including power and information sharing, skills building and changed human resource systems, are evident in such environments.

In this chapter the researcher will primarily investigate the different attributes of various participative schemes. The perceptions around each scheme, why the schemes are implemented and the results

of each are investigated. It is also important to mention some participative endeavours in a few South African organizations; whether they were - and still are - effective as to their original purpose.

4.2 A MODEL FOR EFFECTIVE IMPLEMENTATION OF PARTICIPATIVE SCHEMES

There are some elements, for instance power, information, knowledge and rewards, whose absence or presence at lower levels in the organization is crucial in determining how effective a participative management program will be. It is also important to determine the proportion or part of the total organization that will be affected by changes in power, rewards, information and knowledge, before one can analyze its impact.

These elements are also useful in determining what has changed or will change on the different levels of the organization. Then attention can be focused on the results that can be expected. The researcher uses the elements that are discussed by Lawler (1986:22-26) as follows:

4.2.1 Power

Decisions are either made in a participative or a non-participative manner. Decision-making styles vary from highly participative to being purely autocratic or top-down. When analysing any employee participation program it is important to identify the actual decision-making or power allocation approach.

Decision styles can be classified as follows:

- Top-down. Top-level individuals in the organization make the decision and tell people at lower levels what the decision is;
- Consultative. People at the top level make a tentative decision, announce it to the organization and ask for input;
- Consultative-upward communication. Individuals at the lower level of the organization are expected to propose ideas and potential decisions to higher levels, but the ultimate decision-making power is maintained by people at the top;
- Consensus. Decisions are widely discussed in the organization and considered final only when everyone agrees that they are the right decisions;
- Delegation with veto-right retained. Decisions are given to lower-level employees and they make the decisions as a matter of course. However, high level managers retain the power to reject the decision and ask the lower-level people to look at it again;

- Delegation with policy philosophy guidelines. Choices are given to lower-level employees and they make the decisions within certain constraints. Guidelines for decisions are often given that involve strategy, philosophy, or values; and
- Pure delegation. Decisions are given to the lower-level employees and they are free to make them in whatever way they wish.

Employees mostly have a desire to be involved in those decisions that influence the day-to-day conducting and which are usually relevant to their jobs. These decisions are relevant to them, for they have information about the type of work they do, but usually decisions of this type are made by the supervisor or by staff support individuals who are expert in financial information systems, work methods, engineering, and so forth. In many participative management programs, these decisions are delegated to work teams.

4.2.2 Information

According to the researcher, information is a source of power and effectiveness in organizational co-ordination and co-operation. Without considerable information, employee participation and involvement becomes impractical. It is therefore crucial in these programs that certain kinds of information be diffused to lower levels. Both the type of information and how individuals can access the information are important. Information concerning improvement ideas, performance, and employee attitudes sometimes does not flow upward in organizations. Organizations can use attitude surveys to ensure that employee opinions are well known to top management.

4.2.3 Knowledge

As discussed in paragraph 3.13, the provision of training and development of people's knowledge is a part of the participative program. It is important to look at the type of training that is being done. It can cover topics such as interpersonal skills, problem analysis and decision-making skills; economic education to help employees understand their unit, education in the operation of the organization and technical training, that may either be directly related to the individual's job or related to the broader running of the organization.

One must bear in mind that there is a big difference between (on the one hand) training individuals on how to do their own jobs better and (on the other hand) training them in group, interpersonal and leadership skills and the economics of the business. The latter enables individuals to participate in a much broader area of decision-making activities and affects their expectations about the kind of decisions and activities in which they will be involved.

4.2.4 Rewards

Rewards are important determinants of behaviour in organizations. Rewards such as feelings of accomplishment and self-worth can be increased as a result of individuals being involved in important decisions. One can distinguish between internal rewards such as mentioned above and external rewards such as remuneration and promotion. As people obtain more power, information and knowledge, they expect more rewards, particularly when they feel their participation has made the organization more effective. It is important to consider how rewards are distributed in general and whether lower-level employees are rewarded on the basis of organizational performance.

The researcher would like to refer to financial participation (paragraph 4.3.8) in that financial rewards can be used for suggestions made by workers that lead to increased productivity and organizational efficiency. This can, however, lead to either positive or negative competition between workers.

4.3 PARTICIPATIVE SCHEMES

One can distinguish between indirect participation, such as collective bargaining, and direct participation, such as works councils. But what is meant by direct and indirect participation?

Indirect forms of participation are those that occur through representation. They are usually practiced at higher levels in an organization and tend to be power-centered. Forms of direct participation are task-, rather than power-oriented. They involve employees, members of a given workgroup or work team and their supervisors directly, with the purpose of influencing the decision-making processes. The workers therefore do not have to rely on their representatives only. The most common form of direct participation is perhaps quality circles (paragraph 4.3.6).
According to Poole (1986:47) the majority of direct participation modes are restricted to the low levels of decision-making and they are largely confined to issues of an "on-the-job" character. Therefore, even if they may have had an important effect on industrial efficiency, it is doubted whether they imply any significant erosion of managerial "prerogatives" with the result that many critics refer to these modes of participation as "pseudo-participation".

The diversity of methods is as great as the diversity of aims. Participation may be individual or collective. Direct worker participation exists within the organization on the shopfloor, where the employee has the opportunity to participate in the decisions affecting his work each day. The worker

contributes to and influences managerial decision-making or else executes functions by himself that were previously carried out by management.

Indirect forms of worker participation can be found in every instance where the employees choose the representatives. For example, representatives will be chosen on director boards, worker committees or mutual advice committees. In other words this is a collective participation which goes beyond mere performance of the jobs assigned to each individual worker. This type of worker participation normally exists on organizational levels higher than the shopfloor and is basically directed at policy rulings. The aim is not to motivate the workers but to look after the workers' interests at levels far removed from the workplace. Indirect worker participation can play an important role in negotiations on wages and service conditions.

Management decisions can be influenced though worker participation in different ways, such as disclosure of information, advice and consultation, co-decision and self-management. These approaches have been embodied in various participative schemes, which range from collective bargaining to co-determination and even full worker control of the total management process. The question remains: what is the position of the union federation on worker participation? "The traditional distinction between union and non-union based participation at the workplace has been withering away in most countries. The main distinction is between works council-based participation through co-determination (paragraph 4.3.3.7) and the union-based systems of workplace participation through collective bargaining." (paragraph 4.3.2) (Streeck, 1994:90).

4.3.1 Information and Consultation

The development of personnel information and consultation procedures, either on a voluntary basis or in accordance with legislative or agreed rules, is one of the outstanding trends in organizational relations in the past years.
Managers operating from a unitary form of reference should be willing - regardless of economic circumstances - to impart information to employees to encourage organizational loyalty and commitment. But they will be unwilling to share information in this way (without wider pressures for change), if it becomes a power resource for trade unions to be deployed in collective bargaining, according to Poole (1986:53).

The employer/ management is bound to share information with employees or representatives whether it is on their own initiative, or as a result of legislation or other agreements. There is a difference between the sharing of information in Northern America and Britain and the approach in Europe. In North America and Britain, unions obtain information with the idea of collective bargaining by asking

for the information and showing that it is needed for collective bargaining. The European approach differs. Information must be given either on the grounds of legislation or the stipulations of collective agreements. The information supplied is usually of greater extent than the information supplied through the American and British approach.

The researcher makes the following recommendations:

- Management should, after consultation with worker representatives, adopt appropriate measures to apply an effective policy of communication with the workers and their representatives; and
- Information should be given and consultation should take place between the parties concerned, before decisions on matters of major interest are taken, in so far as disclosure of the information will not cause damage to either party.

In this respect information is not only shared but also discussed and the opinions of workers are shared with management. Management thus consults with workers to get their opinion, but this does not bind management to make the final decision. Advice or counseling can be given either by legislation or agreements or out of own obligation by management.

According to the researcher, the development of consultation procedures tends to be either on a voluntary basis or in accordance with legislative or agreed rules. Management should, after consultation with worker representatives, adopt accurate measures to apply an effective policy of communication with the workers and their representatives. It is important that information should be given and consultation between the parties should take place before management takes decisions on matters of major interest, in so far as disclosure of information will not cause damage to either party. In other words, "an effective policy of communication means that the management informs and consults the workers or their representatives, asking for their opinion before a decision is reached, but it is management which takes the decisions (Anon., 1981:21)."

See paragraph 4.3.1 on information and knowledge.

4.3.2 Collective Bargaining

Anstey (1991a:4) mentions that "...employers participate in collective bargaining for two main reasons: market control, through which they seek to remove wages from competition and managerial control, through which behaviour in the workplace is regulated by procedural arrangement..." Collective bargaining can be seen as a vehicle to predict workplace behaviour more accurately.

Collective bargaining is related to worker participation in management in two ways. It can either be an instrument for introducing worker participation schemes or institutions, or it can in itself be the process by which participative management is implemented. This is where the actual process of negotiating of the collective agreement at the plant or organization level, as well as the extension of bargaining to issues that in the past were considered as managerial prerogatives, take place (Anon., 1981:82).

Collective bargaining as a form of worker participation may be implemented under different circumstances, by different means and even under certain restrictions, but it remains one of the few forms of worker participation that cut across ideological and national boundaries. Collective bargaining is functional, flexible, and adversarial in character. It provides for employers and trade unions alike (Anstey, 1990:5-6).

O' Regan (1990:114) agrees with Anstey that collective bargaining is a form of worker participation in decision-making. It is the process whereby trade unions and management negotiate terms and conditions of employment, as well as other conditions within the workplace.

According to the researcher, collective bargaining is probably one of the oldest indirect forms of worker participation whereby employee representatives are able to exercise countervailing power against managerial decisions in an organization. Collective bargaining has become the main instrument for negotiating terms and conditions of employment in most market economy countries. It is generally recognised that the key to effective collective bargaining is the presence of a strong, well-informed union. (See paragraph 4.3.2.5 on the disclosure of information).

Essentially participation is regarded as an effort to reconcile the contradictory interests of management and labour. Collective bargaining is therefore aimed at a mutually acceptable compromise between the parties. An agreement to be reached on matters of direct concern to management and labour is often regarded as a procedure for participation in decisions. In fact it is almost the only kind of participation accepted by both employers and workers. Agreements to be reached on matters that directly concern management and labour, are often regarded as a procedure for participation to be accepted by both employers and workers in countries where bargaining is a current practice.

In some countries collective bargaining only stretches as far as the consequences certain general policy decisions made by management – which they see as their prerogative – have on the personnel. The researcher states that in practice the borderline between co-decision on a number of aspects and traditional collective bargaining is not very clearly defined, except that the former does

not usually result in a formal written agreement but is merely reported in the minutes. Yet in practice it does give rise to a sort of bargaining on the basis of mutual concessions. Where trade union representatives now quite frequently negotiate on various points without concluding real collective agreements, they are reserved for major problems and are generally negotiated on a fixed date. But why do management and unions in the United States prefer collective bargaining to other forms of participation? According to Anon. (1981:171), collective bargaining has the advantage of "being a relationship which marks a very clear distinction between the respective functions of management and the unions, while other forms of participation assume a relationship which, in itself, limits the possibilities of genuine trade union action and sometimes blurs the distinction between management's functions and those of the unions to such an extent that in their view there is actual incompatibility with collective bargaining."

As a flexible instrument collective bargaining does not need a highly developed institutional and procedural framework. It permits the settlement of a greater number of questions in whatever way and is most appropriate in the current circumstances. While many commentators might argue that collective bargaining is a form of worker participation, it cannot and must not be seen as the only form of worker participation. Where works councils (paragraph 4.3.3) are more common, it does not prevent collective bargaining from also playing a considerable parallel role. But it has had the following repercussions in the past few years, as pointed out by Anon. (1981:173):

- The level at which collective bargaining takes place: bargaining at the organizational level is often conducted in a very informal manner, which clearly facilitates a much closer association of employers and workers in taking decisions;
- Subjects of negotiation: a number of management prerogatives have been progressively withdrawn to be covered in agreements negotiated, such as subcontracting, supplementary unemployment benefits, resettlement retraining, work organization at shopfloor level, personnel policy and investment policy;
- Regulation of relations between the signatory parties of agreements: clauses with this in mind have often been designed to increase worker participation in the taking of decisions, for example through various consultation or grievance procedures;
- Trade unions: trade unions have been afforded a considerable role through collective agreements in the examination of grievances, recruitment of casual personnel, the drafting and amendment of work rules and safety and health measures, joint management of social security funds, management of co-operatives under a collective agreement, and the granting of loans to workers; and

- Involving the rank and file in the process of collective bargaining: as an instrument of participation it has led to increasingly extensive consultation procedures at the stage of drafting claims and the ratification of collective agreements.

Thus the assumption can be made that the development of other machinery for participation in many countries has generally not slowed down the development of collective bargaining. Rather, collective bargaining remains a fundamental element of worker participation in organizational decisions.

Anstey (1990:12) clarified two different types of collective bargaining:

- Adversarial collective bargaining is union centered and generally takes place at industry level; and
- Co-operative collective bargaining that occurs at enterprise level where worker representatives engage with managers on a wide range of labour, personnel, administrative and welfare issues through works councils and worker directors (see paragraph 4.3.3.10 on co-determination).

Trade union participation through collective bargaining in predominantly private transition economies is to be distinguished from the relations between trade unions and management in planned economies. The first is typically referred to as a disjunctive form of participation (since no harmony of interests is assumed) and the second as integrative participation (since unions in planned economies are expected to further the interests of the organization as a whole).

Collective bargaining typically flourishes in pluralist political economies, according to Poole (1986:131), that are characterized by a low degree of corporatism, the acceptance and recognition of the rights of different interest groups, a spirit of compromise and concessions and above all, adequate material standards to ensure that all parties can gain from collective agreements. And certainly, collective bargaining is best viewed as a form of representative participation in decision-making rather than as an entirely different means of seeking to improve the conditions of working people.

Powell (1993:221-222) is of the opinion that genuine and effective worker participation cannot be achieved by an extension of collective bargaining, if one looks at the problem with Volkswagen's model in South Africa. It limits management, and therefore the organization, by imposing duties of consultation on a wide range of areas, and this with a workforce who avowedly use those opportunities purely in the interests of their own constituency, not to make any contribution to the

company as a whole. The Volkswagen example has clearly shown that worker representatives have an active policy not to assist the company in general issues, such as absenteeism.

According to the researcher, collective bargaining is undoubtedly a form of participation, since it implies not only informing and consulting workers but also negotiation with them. In some countries collective bargaining is the most important, or even the only form of participation in decision-making in the organization, for instance in the United States. All decisions that may have an effect on terms of employment and conditions of work are the products of agreement between the two sides.

4.3.2.1 Historical overview

In South Africa, the first Industrial Conciliation Act of 1924 tamed the militancy of the white labour force. However, the deliberate exclusion of black workers limited industrial democracy to a minority of the country's workforce. The militancy of black workers was dealt with *via* acts of suppression rather than negotiation. Since the reforms of 1979 and 1981 that followed the Wiehahn Commission, a fiercely independent trade union movement arose. Aided by international pressures, economically driven shifts in employers' stances, economic and demographic imperatives, the trade union movement of the eighties vigorously asserted itself in remoulding the system of collective bargaining.

"New levels of bargaining (plant, company and enterprise), new labour rights through the industrial court, raised wage levels, a dramatic influence over personnel practices and a political protest presence have all been achieved in a decade" (Anstey, 1990a:7).

A crisis in achieving unity among the union movements was brought about by divisions in ideological lines and an absence of political reform. Membership expectations, problems of leadership, control and democracy and uneasy relations at times, not only with the state and employers, but with other struggle groups as well, were further problems that had to be faced. Employers were subject to economic, political and international pressures which, coupled with the militancy of the "new industrial relations", brought an unsteady shift from coercive or paternalistic unitarism to more constitutional managerial styles. Raised levels of industrial and political action have accompanied a rapid growth in the use of conciliation mechanisms, agreements at industrial courts at plant, company and industry level by the workforce.

The Labour Relations Amendment Act that was adopted by parliament, according to Anstey (1990:8), was based on a theory that effective conflict regulation requires channels, procedures and institutions legitimised by the parties who make use of them. "As such the new Act was retrogressive, creating new levels in conflict rather than contributing to its insitutionalisation".

The enormity of South Africa's political, economic and social problems has been well documented:

- Low growth rates;
- Low investment confidence;
- Poor productivity levels;
- Inflation;
- The flight of capital;
- Taxation;
- The population explosion;
- The unemployment crisis; and
- Rapidly escalating problems in housing, education, health and welfare

These problems transcended the eradication of apartheid and demanded practical solutions. It has been shown that collective bargaining is not the answer to these problems.

4.3.2.2 The character of collective bargaining in South Africa

The argument can be made that one of the reasons why collective bargaining has developed in a dominant form of worker participation, is that it allows parties with conflicting views and interests to engage on issues within parameters of agreed procedures in a manner which does not undermine those respective views and interests.

A restriction on the process of collective bargaining in South Africa has been that trade unions proliferated during the past decade, and this did not have consistent beneficial consequences for both management and labour. The scope of the duty to bargain is still relatively narrow. In relation to the appropriate topics for bargaining particularly, the Court has been reluctant to expand the scope of bargaining. It has held that managers are not obliged to bargain on matters such as the need for retrenchment, or the effect of a closure, even where an established bargaining relationship exists. Because of this either party may resort to industrial action to further its demand, and the following shortcomings within the system of collective bargaining can be identified:

- The range of legitimate topics for bargaining is limited to the terms and conditions of employment;
- Unions often bargain from a position of ignorance because of the lack of access to confidential information;
- Management is able to give effect to its interpretation of a collective agreement when there is a dispute, so that when a union wishes to oppose their interpretation, they either have to declare

a dispute and initiate industrial action or launch proceedings in the Industrial Court, which can be protracted;

- The union's ultimate weapon in collective bargaining is strike action, but this action is only effective under certain circumstances;
- Collective bargaining is only as effective as worker organization;
- Collective bargaining does not challenge management's right to manage; and
- Collective bargaining institutionalised an adversarial approach to labour relations, which is not necessarily advantageous (O'Regan, 1990:117-119).

It is important to observe collective bargaining within the political context, because political factors impact on the work place more profoundly in South Africa, because unionism has a political character in South Africa.

Nupen (1989:38) states the following in this respect: "The legacy of the apartheid system, and the strategies adopted to change it, is a collective bargaining environment where the major players on both sides are demonized, where the explanation for disputes is often sought not on the ground or on the merits but in terms of hidden agendas and strategies devised by players removed from the immediate point of conflict."

"Appropriate steps should be taken to promote consultation and co-operation between employers and workers at the level of the undertaking on matters of mutual concern not within the scope of collective bargaining machinery, or not normally dealt with by other machinery concerned with the determination of terms and conditions of employment" (Anon., 1981:22).

For a more fruitful collective bargaining environment it is imperative that a forum or process would be created within which the parties can debate issues of broader political significance beyond the immediacy of the shop floor. Political perceptions need to be clarified, e.g. where management should play a more assertive role in the political arena if it seeks to separate itself from the political policies of the state. But what positive impact will the wider range and more assertive political initiatives undertaken by management have on the collective bargaining environment? Nupen's (1989:39) answer to this question is that it will offer workers more tangible benefits of the free enterprise system through equity share option schemes. During the years of discrimination the black work force has come to associate capitalism with apartheid. It is thus necessary for black advancement programs, and extension of share ownership to employees to maximize the benefits of the bargaining system.

It is thus clear that the political context adversely affects the collective bargaining environment, and that there is a greater onus on the parties to ensure the process itself works and works effectively.

4.3.2.3 Syndrome

Parties are deadlocking at points where there is still flexibility in their mandates and in circumstances where they have not bargained the issues through in a serious manner. Dispute meetings are often followed as a matter of procedural necessity rather than as an endeavour to promote resolution. It is not uncommon that a mediator handles 10 to 15 items that form the subject or dispute, to discover later that the only item that has been bargained is wages. The reason is that the primary objective of any negotiating team is to get members of the opposing team to adopt the positions and the supporting arguments that it advances, and if not to adopt them, then at least to attach validity to the propositions advanced so that they form the subject of meaningful debate within the other team, and between it and its constituency.

This is a syndrome that can thus be characterised as the poverty of positional bargaining. Proposals are made at the bargaining table, positions adjusted and concessions are made, without motivation, or when it is offered, it is little more than cursory. Reasonableness in approach is based only on the extent of the moves that are made. Preparations for bargaining focuses only on justifying one's own position and does take little, if any, account of the interests of the other party. Items are bargained on a piecemeal basis with little creative thought given to linkages and trade-off.

According to Nupen (1989:42), this led to the emergence of a new bargaining phenomenon during 1989, where one party made the moves and the other party remained in the background, way out of range, hoping than an acceptable proposal would eventually come on to the table. Power realities are prematurely thrust center stage. Unreasonableness and bad faith became the clarion calls of each negotiating team, but made little impression on the other. It is clear that threats and power dominate the bargaining culture in South Africa. The parties talk past each other and seldom engage on the merits.

4.3.2.4 Proposals

Nupen (1998:42-46) made some proposals for an effective collective bargaining environment:

- It is necessary to establish an understanding of the issues which inform and establish the positions of the parties;

- The concept of good faith should be drawn out of the realms of rhetoric and given practical expression;
- Negotiating teams are to be empowered by their constituencies with the necessary degree of flexibility to strike deals where settlement is close at hand. Unempowered negotiating teams evade the responsibilities of leadership and guidance which are intrinsic to their function in collective bargaining;
- More attention has to be paid to negotiation skills training which is crucial for interaction between bargaining representatives and their respective constituencies;
- In terms of the right to strike: it can be limited to certain defined issues, and extended only in so far as procedures are observed and certain standards of conduct are adhered to; adjudication on the validity of continuing the strike can be invoked at that point where the employer alleges permanent harm to the organization; time limits can be agreed, the right to strike can be balanced by a corresponding right to lock out; and
- The establishment of appropriate levels and forums for collective bargaining such as the Industrial Council for single-tier bargaining, where realistic agreements can be struck.

The researcher is of opinion that there should be a mindset change, since both parties usually come to the bargaining table with preset ideas. The union comes with the idea that if management will not listen to their demands, they will resort to action. Management has the idea of making themselves ready for a conversation that lasts for days and maybe weeks. It is important for negative mindsets such as these to be changed in order for collective bargaining to move away from the "them" and "us" sphere.

4.3.2.5 Disclosure of information

In this century, collective bargaining has become the main instrument for negotiating the terms and conditions of employment in market economy countries. It is generally recognized that the key to effective collective bargaining is the presence of a strong, well-informed union. The disclosure of information plays a vital role for effective management participation (paragraph 4.3.3.6). The following arguments can be given for the disclosure of information, according to Jain (1980:331):

- Disclosure of information will lead to rational and objective bargaining;
- It will result in moderating the parties' demands and attitudes;
- Unions may support disclosure in that they believe that the sharing of information redresses power imbalance and will enable them to bargain as equal partners;
- It assists unions in mapping out their strategy, such as when management can least afford a strike, and will force management to justify their decisions;

- Disclosure promotes the acceptance of redundancy and the need for co-operation and change to avoid it;
- It can be an advance warning to prepare for change or forms of resistance;
- It exposes antisocial practices of capitalism; and
- It can extend the scope of collective bargaining to such issues as company investment and other economic policies.

Collective bargaining has extended during the last decade, covering a much greater number of subjects - including working conditions, welfare, employment and income security - than in the past, when bargaining usually centered on questions of wages and fringe benefits, grading, hours of work and holidays. It is thus clear that the development of other machinery for participation in many countries has generally not slowed down the development of collective bargaining - rather the opposite (Anon., 1981:198).

4.3.3 Workplace Forums

Adversarial bargaining is ill suited to the task, therefore management and workers must find new ways of dealing with each other. Workplace forums were proposed as being designed to perform functions that collective bargaining couldn't easily achieve: the joint solutions of problems and the resolution of conflicts over production. The purpose is not to replace collective bargaining, but to supplement it through a system of non-adversarial relations to deal with non-wage matters that must by their nature be dealt with at the level of the workplace, for example restructuring (Anstey, 1995:4).

The proposed workplace forums will make a very real difference to the way businesses are managed in the future. In the past, the idea of participation did not appeal to management because it meant giving up some control of the running of the organization. On the other hand, union slogans like "forward to worker control and socialism" have left little room for speculation about the union movement's preferred version of worker participation. The slogans have not helped to persuade management that its fears were misplaced (Deal, 1995:18).

The workplace forum system represents a compromise between different interests, with a number of rather different desired outcomes (Wood, 1998:20). Workplace forums are specifically designed to underpin workplace democracy and worker participation, and to strengthen the identification of all layers of the workforce with productivity issues (Van der Walt, 1999:70).

According to Anstey (1991c:89), workplace forums were proposed to "perform functions that collective bargaining cannot easily achieve: the joint solution of problems and the resolution of conflicts over production". It is important to state clearly that the purpose was not to replace, but to supplement collective bargaining through a system of non-adversarial relations. Non-wage matters, by their nature, must be dealt with at the level of the workplace, for example restructuring, the introduction of new technologies and work methods, the organization of work, health and safety.

Anstey (1991d:117) states that South African workplace forums have become an extension of collective bargaining to the organization, rather than the complementary system envisaged by the drafters of the Act. They proposed mechanisms at the level of the organization to deal with matters for which traditional adversarial bargaining would be ill suited. In the South African labour sphere, legislation, collective bargaining and consultation have been confirmed as being one and the same.

It is important that parties should recognize the necessity for a climate of mutual understanding and confidence in the organisation, with the view of developing the economy as a whole and to rise the standard of living. Matters of mutual interest not within the scope of issues usually dealt with through collective bargaining should thus be facilitated by voluntary agreements, promoted through laws or regulations which establish appropriate structures and determine the scope, functions and methods of operation or a combination of these methods.

So why have management and unions now been able to agree on the introduction of workplace forums? The main reason is, according to Deal (1995:18), that all things considered, "it makes good business sense" to get workers more involved in the organization as partners or stakeholders. Management has realised that the autocratic management styles that produced great results in the past will not continue to do so in the future. For unions and workers, the political struggle is over, and the emphasis has shifted to job security, the removal of apartheid and implementation of equity in the workplace and improving the quality of the lives of workers.

The new Labour Relations Act negotiated at the National Economic, Development and Labour Council (NEDLAC) introduced the concept of workplace forums. Workplace forums are designed to enable employers and workers to engage in discussions on workplace issues that fall outside wage bargaining. Traditionally the relationship between employers and workers has been conflictual and the attempts to move away from institutionalizing an adversarial relationship to structuring co-operation. The introduction of workplace forums represents a shift in thinking for both employers and labour – a shift that not everyone is ready to make. This becomes clear if comments from both labour and business are taken into account:

"Co-determination undermines the struggle for socialism because, instead of preparing workers for the struggle against capitalism, it promotes the idea that the capitalists and the workers have common interests. It therefore leads to the co-optation of the working class" (Lehulere, 1995:42).

Some authors are of opinion that the Labour Relations Act has unashamedly taken fundamental rights away from employers and placed them in the hands of "commissioners" who are vested with draconian powers to decide the fate of organizations (Van Zyl, 1997a:2).

Under the 1972 Works Constitution Act of West Germany the following terms are set out in terms of the right to information, consultation and participation:

- The right to be informed and consulted on manpower planning, vacancies, training, termination of employment, construction, and alterations or extension of works and other premises belonging to the organization;
- The right to be informed about any proposed alteration that may affect the workforce or new work methods and production processes;
- The right of co-determination in social matters where they are not subject to regulation or collective agreement, such as working hours, holidays, introduction and use of technical devices to check on workers, safety and health regulations and so forth; and
- The right to veto management's decisions regarding dismissals (Jain, 1980:328).

Workplace forums draw rather heavily on the German (paragraph 4.3.3.8) and Swedish experiences (paragraph 4.3.6.6) which themselves had mixed results. This serves to highlight some of the tensions inherent in the multiple agenda of workplace forums between power sharing with the workforce versus the creation of more effective channels of communication and the joint assumption of responsibility (Wood, 1998:20).

4.3.3.1 Composition

Workers elect workplace forums, with seats being allocated according to the occupational distribution of the workforce. This ensures that workers who are not members of the union - in the absence of a closed shop agreement - also have a say on the forum. On the one hand, this may lead to demarcation disputes, according to Wood (1998:21).

In other words workers, on account of their non-union membership, believe that they are being excluded from the collective bargaining process, and may use the forum as a means of sharing their

grievances over substantive issues such as remuneration. This could lead to the forum exceeding its brief or bitter internal disputes over what it should actually be doing.

An attempt is being made to have a body representative of all categories of workers. It may happen that there are separate works councils for salaried employees and wage earners. Under most national systems, trade unions have an exclusive right to put forward candidates in this respect. In some countries trade unions can remove those whom they have put up as candidates.

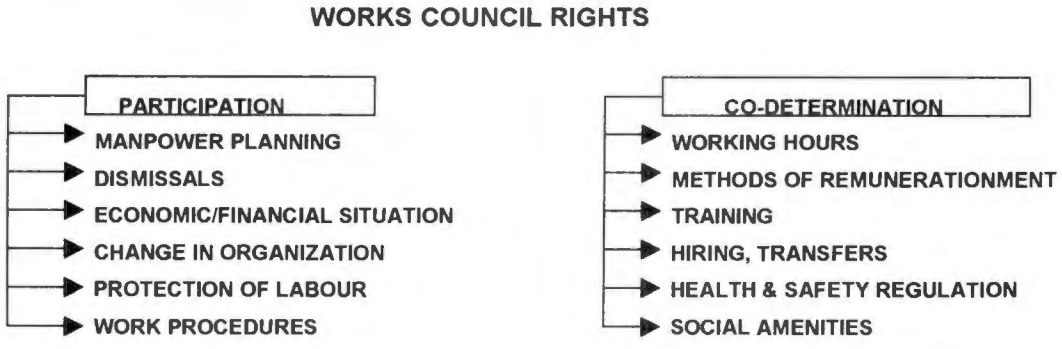
The purpose is either to represent the workers collectively which, on the workplace forum's own initiative, deals with all the tasks within its competence, then communicates with management, or meets the employer or general manager, or to provide for direct co-operation with the employers. The employer maintains a presence at all meetings of the council, which he normally chairs. There is, however, no question of equality of numbers. The employer-chairman is normally the only representative of management (Anon., 1981:137).

4.3.3.2 Powers and functions

Workplace forums are consultative bodies, focusing on practical issues such as the terms and organization of work, but not on issues that normally fall within the ambit of collective bargaining, such as wages and conditions of employment. In addition they have a joint decision-making role in areas such as disciplinary and grievance proceedings, unless otherwise regulated by a collective agreement. They also provide the opportunity to work on productivity and efficiency matters (Wood, 1998:20).

Robinson (1990:51) states that the works council has wide ranging powers, particularly in social welfare and personnel affairs, that range from the right to be consulted through participation in decision-making to genuine co-determination where management cannot decide without the approval of the works council. In case of deadlock the matter can be referred to a Labour Court or an Arbitration Panel. The works council rights can be seen in Figure 14 on the next page.

Figure 14: Works council rights



Source: Robinson (1990:51)

Anon. (1981:138-140) and Van Zyl (1997a:11) sum it up as follows:

- The main powers of works councils can be classified under four headings: information, consultation (giving worker representatives the opportunity to make their views known and to propose alternative solutions), co-decisions (prior agreement to, or right of veto on, certain decisions), and direct autonomous management of some of the activities of the undertaking (in particular, welfare activities).
- An important element in the operation of co-decision, is that works councils are entitled to bring opinions or decisions to the attention of the appropriate administrative or legal authority or of an internal arbitration body;
- Information to be supplied should cover the following: general situation of - and the economic and financial outlook for the organization - as well as technical change and employment prospects; forecasts in relation to investments, rationalisation on the introduction of new methods or processes, cutbacks in production, and changes in the structure of the undertaking, thus forecasts of events which may lead to marked changes in the employment situation and in conditions of work;
- A right of consultation accompanies the right to information where management has to indicate measures that should be taken to avoid, or to soften the impact of unfavorable consequences for the workforce. The works council is entitled to discuss these forecasts and proposals and to suggest alternative solutions;
- Three main areas of management are covered by the competence of works councils: economic questions, staff problems and welfare activities;
- In developing countries, works councils can, through welfare activities, improve the living conditions of workers and their families, and provide an opportunity for training in participation;

- The functions of works councils in regard to consultation and co-decision cannot be dissociated from the particular conditions and needs of the country concerned (the level of social and economic development, general industrial relations setting, past history of the works councils system, etc.)
- In some countries the committees or representatives responsible for health and safety do not depend directly on the works councils or corresponding bodies;
- Works councils often elect or appoint from among their members, some or all of the worker representatives on supervisory boards or boards of directors, in countries where the legislation provides for such representation; and
- Works councils need not to restrict themselves to the functions conferred upon them by law; they may take on other important functions. They may thus embark on a whole range of social and cultural activities.

The balance of power between the two parties obviously influences decision-making between management and the works council and even though the works council has only a consultative right, skillful negotiating can, in fact, result in employee representatives having a significant influence on decisions taken (Robinson, 1990:52-53).
However the works council has no co-determination rights in terms of the actual management of the business. It only has information and consultation rights in organizations with more than 100 employees. The aim of the workplace forum system are, *inter alia*, to enhance productivity, promote shopfloor democracy, and encourage greater power sharing at the workplace.

The forum has the potential to promote internal communication among different sections of the workforce which otherwise, for historical reasons, may have been hostile to each other. As such, management is legally bound to consult with the forum over restructuring the workplace (including changes in work organization), the introduction of new technology or techniques of production, retrenchments etc. Through this process of consultation and better communication, workers will be more aware of the reasons behind painful decisions such as downsizing and be in a position to come forward with proposals to minimise the impact thereof (Wood, 1998:21).

In addition, forums have joint decision-making powers in areas not immediately related to actual work performance, such as disciplinary codes and procedures. However, they have these powers only in the absence of a collective agreement - such as most commonly, a recognition agreement - covering such matters.

According to Van der Walt (1998:27) a workplace forum:

- Must seek to promote the interests of all workers in the work place, whether or not they are trade union members;
- Must seek to enhance efficiency in the work place;
- Is entitled to be consulted by management with a view to reaching consensus about the matters referred to in section 84 of the Labour Relations Act; and
- Is entitled to participate in joint decision-making about the matters referred to in Section 86 of the Labour Relations Act.

A workplace forum is entitled to be consulted (having the opportunity to make representations and alternative proposals) with a view to reach consensus on the following matters as listed by Anstey (1991c:96) and Anon. (1981:143) to name just a few:

- In terms of the workplace, restructuring such as the introduction of new technology and new work methods;
- Changes in work organization;
- Total or partial closures of a plant;
- Ownership being merged or transferred in so far as it affects the employees;
- Operational requirements that lead to the dismissal of employees;
- Exemptions from any collective agreement or law;
- Job grading;
- Education and training; and
- Plans for product development;
- The right to be informed on matters such as finance, production and sales, employment, rationalization, introduction of new technology, etc.;
- The right to participate in various decisions with management towards agreement on rules concerning the recruitment, promotion and dismissal of workers, the implementation of vocational training, the determination of terms of remuneration and induction and management of welfare facilities;
- The right to mandatory consultation before any decision is taken on the closure or relocation of an establishment or substantial parts of it, extension or major alteration of the activities of the organization; and
- The right to be consulted before decisions are taken on job evaluation, piece or task rates, or the introduction of any technical device intended to monitor the workers' conduct or performance.

4.3.3.3 The implementation of workplace forums

Anstey (1991c:94), Wood (1998:21) and Lessing (1996a:4) state that where an employer employs 100 or more people in a workplace, a trade union (or trade unions acting jointly) that represents the majority of such employees may apply to the commission to establish a workplace forum to:

- Promote the interest of all employees in the workplace, whether or not they are trade union members;
- Enhance efficiency in the workplace; and
- Consult and participate in joint decision-making with the employer.

A workplace forum can be established through bargaining, or with a bargained constitution or be constituted by a commissioner from the Commission for Conciliation, Mediation and Arbitration (CCMA) or be trade union based. The first three options according to Du Toit (1990:25) represent a continuum of options that range from total self-determination to direct intervention by a commissioner. The commissioner must meet with the applicant union(s) and the employer and any other registered trade union in the workplace to facilitate a collective agreement on the shape and functions of the workplace forum.

Should a collective agreement not be reached, the union's right to a workplace forum is not lost. A workplace forum can be imposed with the assistance of the CCMA. A representative trade union(s) may apply to the CCMA to establish a workplace forum and must supply the CCMA with a copy of the application that has been served to management. The application will then be considered as well as whether 100 or more workers are employed in the workplace and whether the applicant is a representative trade union. As soon as the CCMA is satisfied with the relevant requirements, it will appoint a commissioner to assist with the establishment of a workplace forum.

The commissioner will facilitate the conclusion of a collective agreement between the applicant, the employer, and any registered trade union that has members employed in the workplace. If the parties fail to reach a collective agreement, the commissioner will decide to establish a workplace forum and determine the provisions of the constitution, which must be in accordance with the requirements of the Labour Relations Act. The commissioner then has to set a date for the election of the first members of the workplace forum and appoint an election officer to conduct the election (Van Zyl, 1997b:16).

According to Deale (1995:18), it is necessary to discuss and agree on a set of joint strategic objectives. This will form an essential framework for further consultation on the details of how worker

participation will work in practice. It also provides a meaningful context within which the workplace forum can operate. With this agreed set of strategic objectives, there would be no sense of common purpose for a workplace forum to serve. This framework can be composed into a workplace change contract.

While the Labour Relations Act can legislate to impose change, structures and procedures, it cannot legislate a supportive culture. A workplace change contract holds parties accountable to their commitment to engage with each other in the workplace forum in good faith and thus hold an agreed code of mutually acceptable conduct to govern the relationship between management and the workforce. A differentiation is made in terms of workplace forum implementation phases that are:

4.3.3.3.1 Phase one: preparation

It is necessary that the parties involved in the process need to prepare themselves adequately if they intend to carry the process through successfully. As Marais & Israelstam (1997a:30) pointed out: "...joint co-determination exercise need to be preceded by separate preparatory workshops/ courses designed to equip the parties with the necessary skills." The argument lies therein that the point of departure of employee and management to co-determination is too diverse.

i) Management preparation

The successful implementation of a workplace forum depends to a great extent on management's attitude and commitment to the process. According to Van Zyl (1997e:60), management needs to take into account the following:

- The current management-union relationship (co-operative vs. adversarial);
- The industrial relations history of the organization;
- The specific business environment;
- The prevailing culture in the organization;
- The predominant management style;
- The skill levels of the workers; and
- The strategic aim of the organization.

These aspects should be taken into account when management wants to formulate a plan of action. It is thus necessary for management to have participative management principles and skills. They need to be acquainted with the statutory requirements and how the process of workplace forums is to

be implemented successfully (see table 10 on management's role in the implementation of workplace forums).

ii) Union preparation

Van Zyl (1997e:58) advises unions to prepare themselves in advance, before applying for the implementation of a workplace forum (see table 11 on union's role in the implementation of workplace forums).

Marais and Israelstam (1997a:30-31) point out that the new Labour Relations Act has provided for all reasonable training costs to be paid for, for the union official and workers/ shop stewards to attend a two to four day workshop/ training session. Management thus needs to view the inevitable training cost as an investment in mutual wealth creation.

Shop stewards may be especially prone to negativity about a workplace forum, should they view it as threatening to their own role. The role of the existing participation structures in the organization, such as shop steward committees, versus the role of the workplace forum needs to be clarified.

The following need to receive attention in union preparation:

- An action plan that is "company specific" needs to be formulated, taking into account the circumstances of the particular workplace/ organization;
- Relevant parties, such as shop stewards, need to be informed about the intention to implement a workplace forum;
- Fear and uncertainty must be eliminated by disseminating information;
- Keeping in mind the objectives of the planned approach, training needs should be identified among shop stewards and/ or employee representatives; and
- A training program needs to be formulated (Van Zyl, 1997e:58).

4.3.3.3.2 Phase two: establishing the steering committee

Once the preparation has been completed, it is necessary to establish an interim steering committee to continue to drive for the implementation process. Its main responsibility will be co-determining and co-ordinating the implementation process. The Labour Relations Act requires that all employees (including non-unionised workers) be part of the workplace forum. Therefore representatives from all groups need to be represented on the steering committee.

The procedural aspects of the steering committee include the following, according to Power (1990:87-88):

- The number of representatives: To determine a workable number of people on the steering committee, the parties must consider the cost and control. It has been suggested that the steering committee should consist of no more than four or five members on each side. The committee should allow one team position on each side to be a designated rotating seat. This allows for the parties to bring a representative from the same department to each meeting.
- Time frame: The steering committee should meet once a month for a period of no more than two hours during working hours and this should be scheduled at least for a period of no less than six months in advance.
- Use of contract: The separation of the traditional contract mechanisms from the worker participation process is very important. This includes grievances within the contractual grievance procedure that must remain there, and contract negotiations that must be conducted outside of the employee involvement process.
- Future expansion: The training needs of the steering committee members must be addressed. This is important because the two parties solve problems differently within their own structures and are used to an adversarial method when working together in collective bargaining.

The steering committee has the following functions:

- Acting as a forum for joint problem-solving;
- Agreeing on clear definitions of "workplace" and "workforce";
- Agreeing on the functions of the workplace forum;
- Agreeing on a policy in terms of information disclosure;
- Continued dissemination of information and feedback to all stakeholders, including reporting on the progress made during different phases;
- Ongoing negotiation and liaison;
- Drawing up a workplace forum constitution;
- Ensuring that a formal training strategy is in place for workplace forum representatives; and
- Acting as a "watchdog" in the implementation process, i.e. ensuring that all workers are represented on the workplace forum, ensuring a fair election process, etc. (Van Zyl, 1997e:62).

The steering committee should ideally be disbanded after the election of the workplace forum representatives (Marais & Israelstam, 1997a:31).

Table 10: Management's role in the implementation of workplace forums

ROLE	DESCRIPTION
Strategic	Management is responsible for seeking issues of mutual concern to both parties.
Informative	Management has a responsibility to inform employees of the role of the workplace forum. It is essential that middle management be informed properly to obtain these individuals' support as they are critical to the success of the process.
Relationship Building	Management has to: ensure that it contributes equally and is equally committed to the process; be positive and constructive, i.e. build good relationships with the union and the workplace forum.
Training Responsibility	Management has a responsibility in terms of capacity building of both workplace forum representatives and unions, in terms of teaching business skills.
Process Support	Management has to: identify levels at which decision-making/ consultation/ informing will take place, i.e. at what levels, be they national, regional, or at plant level; ensure representation of the majority of employees; negotiate the constitution with the union; perform a watching brief to ensure that the forum complies with prescription, ensures fairness and effectiveness. As far as process support is concerned one of the participants summarized it by saying that management has to ensure the workplace forum's focus is positive and constructive, starting with the terms and conditions of a workplace forum agreement.
Provision of Resources	Management has to provide: information free the resources required in the workplace forum provide representatives with the facilities required to do their job, for example, time-off, an office, etc.

Source: Van Zyl (1997d:46)

Table 11: Union's role in the implementation of workplace forums

ROLE	DESCRIPTION
Strategic	The union plays a strategic role in that it needs to agree in principle to a framework and to set parameters. Before this can be done the union will need to formulate, express and advocate its goals in order to reach specific objectives. This framework is to form part of the collective agreement reached with the union.
Practical	The union is responsible for initiating the workplace forum, as well as the implementation and formation. The union will thus be responsible for laying the foundation of the workplace forum.
Informative	The union has to inform its members on the role of the workplace forum.
Relationship building	The union has to build relationships in the best interests of all stakeholders. It also has to ensure that management does not use the forum as a management tool and has to ensure that management is willing to teach and guide representatives to obtain the skills needed by workplace forum representatives. Where different unions are involved they should reach uniformity in their approach (the implementation process cannot be successful if there are inter-union differences).
Training Responsibility	The union has to coach representatives and ensures that they receive the proper training and have the right skills to fulfill their roles.
Process Support	The union has to: be involved in the selection of forum representatives, specifically determining who and what is representative of the majority of workers and who is not representatives (who belongs to special categories of workers). The union has to encourage proper representation of union and non-union members. This includes representation that is as broad as possible; ensure a good and fair election process; support the concept and process and ensure that the latter is implemented and followed; oversee the formation of the constitution and establish the distribution of seats of representatives, together with management.

Source: Van Zyl (1997d:44)

4.3.3.3.3 Phase three: co-determination

The constitution of the workplace forum will be co-determined here by the elected representatives of the steering committee. According to Marais and Israelstam (1997b:41), it is advisable to use a "workshop" approach in the co-determination process, which focuses primarily on the facilitation and integration of the various stakeholders' viewpoints. It may be profitable to use an external facilitator to ensure that the process progresses smoothly and to give the process credibility.

It would be to all parties' advantage if they could agree on the workplace forum constitution through negotiation - without involving the CCMA, which has the power to establish the workplace forum and to determine the provisions of the constitution, should the parties fail to reach an agreement. This will lay the foundation for future co-operation. When the CCMA decides on the provisions for the constitution, one party will necessarily feel that its position has been "compromised".

An agreement should be reached between the parties on the way in which they will interact with each other during and outside meetings. Van Zyl (1997e:63) points out that as soon as the "rules of the game" have been agreed to by the parties, the views of the various groups regarding the following issues need to be discussed:

- The organizations' vision and objectives;
- The various parties' views of the changes envisaged;
- The various parties' expectations in terms of workplace forums;
- The strengths and shortcomings of the organization with respect to the effective implementation of workplace forums;
- The effect of the legal requirements of workplace forums on the organization, union and employees; and
- The action plans drafted by the employer and union.

This needs to be done before discussions on specific matters pertaining to the workplace forum constitution proceed. These issues dealt with in a workplace forum lend themselves to joint problem-solving approaches, rather than the usual bargaining method. For participants in the workplace to function constructively, it will be necessary for them to gain skills in problem-solving techniques and to develop a culture of placing reliance on this technique (Deale, 1995:23).

4.3.3.3.4 Phase four: establishing the workplace forum

A commissioner will be appointed by the CCMA either to finalise the constitution where the parties have reached agreement on the provisions of the workplace forum constitution by collective agreement, or to assist with the establishment of the workplace forum by collective agreement, if the parties failed to reach agreement. If the parties fail to establish the workplace forum and to determine the constitution in accordance with the statutory requirement, the Labour Relations Act requires that the commissioner should establish the workplace forum and its constitution. The CCMA will then register the workplace forum. After the establishment of the workplace forum the election of representatives can proceed.

Since the workplace forum is a new participation structure, the representatives will need to be empowered before they can fulfill their roles, according to Marais and Israelstam (1997c:34-44).

4.3.3.3.5 Phase five: empowering workplace forum representatives

Since the representatives on the workplace forum may not be the same individuals who were involved in the co-determination process, empowerment is a necessary phase, according to Van Zyl (1997e:67).

To be "empowered" (paragraph 5.6.3) means that the representatives have obtained the necessary skills to assume the responsibility that they have been given and are confident in delivering that which is expected of them. Anything else will set up these individuals, and the workplace forum, for failure and discredit. The greatest obstacle in the way of getting workplace forums operating smoothly, according to Deale (1995:22), is the huge knowledge gap between fairly sophisticated management and a largely semiliterate workforce. Serious investment in training and development will be necessary to upgrade the ability of workers to participate effectively in the workplace forums and to understand the business process and the consequences.

Training the representatives should be planned thoroughly. An assessment of their training needs must be made and a training program established in terms of that which was agreed upon during the co-determination phase. It should be remembered that it may take considerable time for representatives to obtain the necessary skills and knowledge, and that the workforce's expectations of these individuals have to be managed until such time as they have acquired adequate skills to perform their tasks. At this meeting the participants should ideally commit themselves formally to the workplace forum's goals, principles and constitution, and decide upon a strategy to empower workplace forum representatives. A joint task team could be established to take responsibility for

conducting training needs analysis, ensuring that representatives receive the necessary training and disseminating information on progress to employees. Workplace forum representatives and employer representatives should present all employees with a progress report in terms of goal achievement during the empowerment phase (Marais & Israelstam, 1997d:41).

According to Power (1990:90), the joint task team or a joint task force system may have other functions as well as empowerment. This team is not a permanent part of the structure, although in some instances it can have a greater life span depending on the nature of the problems to be solved by it. Its structure allows for the development of a core group of individuals, both union and management, with experience of working on the worker participation process and looking into problems that have an effect on the organization as a whole. The mission of the team is to develop recommendations on problems referred to it and to represent these recommendations to the steering committee.

4.3.3.3.6 Phase six: functional phase

Trying to move to this phase too quickly may result in conflict and failure of the venture. Many well-intentioned co-operative efforts have reverted to an adversarial relationship. If the previous phases have been characterised by co-operation, the functional workplace forum should be able to add value to both management and the employees. But how do unions in general feel about workplace forums? Do they welcome it or do they see it as a threat? The answer to this question is discussed in paragraph 4.3.3.5

4.3.3.4 Facilities and protection afforded to members

Protection against dismissal is provided for members of these bodies, those who are candidates, for a certain period, and workers who ceased to be worker representatives. In large organizations the works council often has at its disposal notice boards and permanent offices, and some of its members are wholly or partially relieved from their normal duties without loss of remuneration.

4.3.3.5 Trade union's role and perception on workplace forums

As mentioned earlier, the purpose of works councils is to establish collaboration between management and representatives for mutual exchange of information and consultation on questions not subject to collective bargaining, or matters that are regarded as part of the prerogatives of management. The role of works councils and collective bargaining tends to blur, especially where the

councils are broadly under trade union control. An attempt is made to maintain a clear line of demarcation between trade union representation and these bodies representing all the workers.

Instead of focusing on what both parties can gain from negotiations in a workplace forum, fear of change is hampering the process. For instance, unions fear that workplace forums will marginalise their influence on the workplace and its members. In the current climate where workers are unhappy with the performance of union leadership, it may be seen as an advantage to have a workplace forum where workers can negotiate issues independent of unions. In order not to lose "power", unions may not initiate the forums. (See paragraph 5.5.3 on union's role).

Trade unions have often shown hostility to these bodies for fear that either works councils might encroach on trade union activities or that the councils might be used as substitutes for genuine negotiation with only the appearance of participation. It has been observed that works councils may be active in parallel with strong trade union entrenchment in organizations, particularly if collective bargaining usually takes place at the regional or national level or at the level of the industry. Problems of harmonizing trade union representation and the works council seem to arise more in countries where collective bargaining takes place primarily at the level of the undertaking. The solution in these cases would seem to be to have one form of representation only, viz. trade union representation, or to have a works council to which the trade union representatives have free access and in which they can perform their role without difficulty.

The reluctance of the relevant trade unions to trigger the establishment of work place forums was ascribed to their concern that workplace forums might undermine or contradict their policies, reduce their bargaining power and that management might possibly co-opt members of the workplace forums to do management's bidding (Van der Walt, 1999:70).

COSATU expressed fears that workplace forums would be used to undermine established shop steward structures. It proposed that workplace forums should be the shop steward committee, with no separate elections. In the case of multi-union situations representation should be proportional to membership. It is clear that a lack of effective communication and genuine trust between management and workers influence the establishment and functioning of workplace forums negatively. Both sides neither understand nor accept each other's frames of reference.

"It is totally unacceptable for workers that political democracy is not going hand in hand with the workplace. Therefore management should make themselves ready for the implementation of workplace forums where workers will have direct influence on the management of the organization. Many managers are concerned over such changes, for COSATU is known as supporters of taking

away total decision-making powers from management. Will the workplace forums be used for this purpose? (Mittner, 1994b:56).

Lehulere (1995:44) cautions organized labour on the merits of co-determination, arguing that it:

- Undermines worker solidarity;
- Disarms workers by virtue of sacrificing the right to strike over co-determined issues;
- Undermines the struggle for jobs where labour accepts competitiveness through working long hours;
- Undermines the struggle for socialism by promoting the idea that capital and workers have common interests; and
- Leads to the co-optation of labour.

Anstey (1991d:112) agrees that there are trade-offs in a system of co-determination in that it deliberately tempers arbitrary managerialism and labour militancy through participative endeavour. There may be loss and gain of power in various ways through the process on the side of both parties.

Du Toit (1990:31) mentioned that in terms of options, the union could choose the representatives to the workplace forum with the notion that members of the workplace forum may not be shop stewards. It is thus clear that in South Africa a workplace forum resides entirely with a majority trade union. An employer may propose such a step, but it is the trade union that has the choice to initiate its existence.

An employer cannot refuse a workplace forum if a majority union initiates one. Instead, options are offered which range from total self-determination to external imposition. A brake on trade union unilateralism is created to the extent that where the parties cannot agree on the shape, etc. of a workplace forum it should be determined externally. This places considerable power and responsibility on the CCMA to "fit" a forum to individual workplaces (Anstey, 1991c:96).

Unlike the German system where works councils are prohibited from strike action when no consensus can be reached, workplace forums in South Africa have the right to strike. Strikes and lockouts on matters such as mentioned above apply, except where a collective agreement prohibits industrial action on such matters. Unless a collective agreement regulated matters on decision-making, the workplace forum is also entitled to participate in joint decision-making on matters such as:

- Disciplinary codes and procedures;
- Rules in terms of proper regulation of the workplace where it applies to conduct not related to work performance;
- Measures designed to protect and promote persons disadvantaged by unfair discrimination; and
- Changes in terms of social benefit schemes (Anstey, 1991c:97-98).

If no consensus is reached with a work place forum on joint decision-making matters, the employer may refer the matter to arbitration in terms of any agreed procedure. In the absence of such a procedure it may be referred to the commission and the chairperson of the workplace forum.

Even though the Act attempts to advance co-operative relationships between management and unions (including the workforce), many of the fears and reservations regarding workplace forums, and specifically information disclosure, consultation and joint decision-making, center on the issue of "power". In many cases it may be that neither party is ready to change the traditional adversarial relationship because of a fear of losing power. The "us" and "them" syndrome is still evident in comments regarding workplace forums (Van Zyl, 1997c:33).

Another point to remember is that trade unions fear that the councils will be used to undermine them, and management fears that under the influence of worker representatives, they may become militant bodies attacking management prerogatives, although councils have acquired powers of co-decision on a number of important matters through legislation rather than by collective agreement. In such situations, trade unions are in fact duly represented on these bodies. In addition, COSATU called for exclusion from the scope of any workplace forum matters covered by the collective bargaining agreement, and made it clear that collective agreements should supersede workplace forum agreements. On these issues its demands were successful (Anstey, 1995:36).

The danger lies in how one ensures separation of the collective bargaining process form the processes that take place inside the joint structure? If you start undermining the collective bargaining process it would be a disaster. If the participants from a variety of different unions feel that their wage negotiation forums are being cut off, because it's all being channeled into this new forum, it would fail (Anon., 1995a:8).

Membership is restricted to trade union representatives, and thus trade unions only have the right to nominate candidates. Elected worker representatives may in practice be active trade unionists, irrespective of whether the workforce in general is unionized or not.

According to Anstey (1991d:113), unions become the gatekeepers for employees or employers that wish to establish statutory participatory structures in the form of a workplace forum in that they can only initiate a workplace forum. At that point, unions become open to the participation of all employees except for senior managers. By the provision in the Act that only a majority trade union may initiate a workplace forum, it allows for incremental adoption across industry with only those trade unions feeling that they are ready for initiating such forums. This is to constrain the capacity of management to impose structures on unwilling employees or using them to subvert trade unions (Anstey, 1995:6).

It is clear that workplace forums were initially union-driven, but eventually became worker-driven. The union initiative makes the role and function of the forum along with the role of collective bargaining mechanisms with unions uncertain. The role of unions is questioned, because the initiative to become a member of a union can be suppressed. Workplace forums could be a breakthrough in the struggle for democracy at work. They could provide unions with the tools to improve the quality of working life and prevent management from unilaterally restructuring the workplace. They also offer the unions an opportunity to intervene in management decision-making and shape decisions to meet workers' interests (Anstey, 1995:32-32)

As Anstey (1995:6) mentioned, workplace forums can serve as vehicles for extending rather than constraining union influence, and in the author's opinion, they serve as important vehicles for developmental purposes. Care should be taken that workplace forums are conceived but never permitted to be alternatives for trade unionism. The participation of trade union representatives in an advisory capacity in meetings of the works council has been simplified; a decision taken by the majority of members is still necessary, but the number of members who must make the request is no longer specified in Europe.

The changed political context has led to many of the more talented union leaders being drained off into political (or managerial) appointments to leave responsibilities to less experienced replacements (paragraph 5.5.3.3).

Lehulere (1995:43) argues that "...What is needed is a system that bases itself on the traditional institutions of the working class, and at the same time allows for a dynamic relationship with non-unionised workers. In terms of such a system, all workers will participate in elections for the forum, but only registered unions can put up candidates. Non-unionised workers will have to choose amongst the various union candidates. Unions should also be allowed to put up candidates who are not union members."

4.3.3.6 Disclosure of information

Workplace forums have the right to be informed in advance of important company decisions, such as major economic and financial development, that are perceived as a means of furthering the unions' interests. For the more complete the council's information on management's conduct in his or her day-to-day relationship with the workforce is, the more valid is its assessment of whether management is meeting their legal obligations, as well as the obligations toward the workforce under collective agreements (Jain, 1980:326).

It has been determined that for a forum to engage effectively in consultation and joint decision-making, all relevant information must be disclosed by the employer, except that which is legally privileged, that which could cause substantial harm to an employee or employer and that which is private or personal. The commissioner decides if information is relevant, weighing the harm that is likely to be caused to an employee or employer by the disclosure of information against the harm which may be caused by the failure to disclose information in that the forum is restricted in its ability to consult and make joint decisions effectively (Anstey, 1991c:98).

Management is sceptical about workplace forums. They believe that management prerogatives would be further reduced through the sharing of confidential information and that this information could fall into the wrong hands (Van der Walt, 1999:70).

To a large extent, the quality of the relationship between management and the workplace forum and the degree of trust which exists between them, will determine the extent to which management would be willing to disclose information without being forced to do so, either by strike action or by an arbitrator (Deale, 1995:22).

4.3.3.7 Co-decisions in works councils

In certain Western European countries, the right of co-decision has been given to work committee bodies that are entitled to be informed and consulted at first. The right of co-decision relates to specific matters, generally affecting personnel policy or welfare. The decision has to be a joint one, and this condition sometimes amounts to a power of veto. Anon. (1981:22) is of opinion that such a procedure frequently gives rise to negotiation, to bargaining or even to a compromise in the form of an agreement, in effect a collective agreement.

In West Germany, works councils may be equated with trade unions which bargain at enterprise level with the important distinction that they may not engage in "industrial warfare" but are confined to co-

operative endeavours for which they are legally empowered by the wide-ranging Works Constitution Acts (Anstey, 1990:14).

4.3.3.8 Comparison between German's workplace council and South Africa's workplace forum

Although South Africa has followed the shape of the German system in determining the power of workplace forums, it has deviated from the German model in several significant areas. The degree of this deviance in many senses reflects a system entrapped by its own past, preoccupied with issues of control rather than liberating itself to promote its industry on global markets.

German works councils are required by law to co-operate in good faith with management, with express prohibitions on industrial action and any activities which endanger "the peace of the organization" or proper performance of work. The purpose of works councils is to promote workplace co-operation in the ends of organizational efficiency. Political activity is prohibited other than in response to collective bargaining matters or social or economic policy that directly affects the enterprise (Anstey, 1995:37).

In larger organizations such as joint-stock organizations in West Germany, there are various other forms of co-determination that have two levels of control, as mentioned by Robinson, 1990:53). They are a Supervisory Board as the control organ and the Board of Management that are responsible for the day-to day management. In general, the organization is regarded as an apolitical arena (paragraph 5.5). Works councils are subject to union influence, but the absence of a trade union does not imply the absence of a works council or participation at supervisory board level. Worker participation structures may be dominated by trade unions but they have a life beyond trade unions.

Where the German works councils run parallel to and are independent of trade union organization to supplement collective bargaining by unions at sectoral level, South African workplace forums are subordinate to trade union interests and collective bargaining (Anstey 1995:37).

Although in South Africa workplace forums are intended to promote the interests of all workers in the workplace, whether or not they are members of a trade union, they require a trade union to assume life.

Table 12: German works councils vs. South African workplace forums

German works councils	South African workplace forums
Union's role • Initiate and control the meetings where workers decide whether works council • should be established or call for meetings of a works council; • Control the election procedure and the capacity to invoke sanctions through the Labour Court against employees or employers who violate their duties in works councils; and • The works council may continue, regardless of the representation of a trade union.	Union's role • The right to initiate or not to initiate a workplace forum is confined to a representative trade union; and • It is thus essentially a trade union rather than an employee-controlled system of participation.

Source: Adopted from Anstey (1991d:108-109)

In Germany, to the extent that enterprises are unionised, works councils are subject to union influence, but the absence of a trade union does not imply the absence of a works council or participation at supervisory board level. At first glance South African workplace forums seem to be similar in shape to those of German works councils, but closer inspection reveals that leaving them as an option for representative trade union and subordinating their power to collective bargaining, leaves them a poor replica of the original.

COSATU's demands for consultation and information reflect matters which would be dealt with by supervisory boards at a strategic and policy-making level with strict secrecy provisions rather than works councils at a daily working level of participation as in Germany (Anstey, 1995:35). COSATU made proposals for corporate-level representation, including company boards. This suggestion might have opened the system a little for a distribution of representation and responsibilities in line with Germany.

4.3.3.9 Comparison between the New Labour Relations Act and the Metal Industry approach

Angus (Anon.,1995(a):11) compared the workplace forum provisions in the New Labour Relations Act with the Metal Industry approach as he understands it in table 13.

Table 13: Comparison between the provisions of the Labour Relations Act and the Metal Industry approach in terms of work place forums (WPF)

The New Labour Relations Act	Metal Industry
• The representative union in organizations of 100 or more triggers WPF: the employer must agree.	• WPF is set up by mutual consent between workers and management, irrespective of size or workforce unionization.
• The commissioner sets it up.	• The organization and union might choose to go to the commissioner or any number of other organizations for assistance in setting it up.
• The commissioner determines the composition, by arbitration if there is no agreement.	• The composition should be determined by agreement.
• Deadlock mechanisms are ideally agreed between employer and the union but if not, the commissioner must arbitrate.	• Deadlock mechanisms are agreed upon between the parties.
• The Act provides that the forum comprises of elected representatives only and meets once a month with management.	• A combined body i.e. management and the elected representatives in the workplace is instituted.
• In the absence of mutual agreement, Nedlac has to determine what matters should be consulted over and what matters require joint decision-making.	• Matters that should be consulted over and which require joint decision-making need to be decided by mutual agreement.
• It is required that WPF meets with the workforce at least four times a year in working time.	• The Metal Industry has no specific provision for that.

Source: revised from Angus (Anon., 1995a:11).

Angus (Anon.,1995(a):12) believes that the most important difference between the New Labour Relations Act and the Metal Industry's approach lies in the focus of co-operation and joint problem-solving and worker participation in workplace matters. The Act's approach to workplace forums seems to be supplementary to collective bargaining. He further says "I don't really understand how

this mechanism is going to work in practice - somehow the Act attempts to separate the collective bargaining issues from the joint co-operation and worker participation issues".

The Metal Industry approach is therefore different for they identified productivity bargaining forums. These forums are where workers and management will trade off improved benefits, be it wages, working conditions, incentive schemes, etc. for improved productivity at organizational level. According to Angus (Anon., 1995(a):12) this is probably the main difference between the provisions of the new Labour Relations Act and the Metal Industry's approach. But are work place forums suited to small businesses? According to Van der Walt (1998:27) the apparent answer is no, if one looks at some problems:

- Workplace forums can only be introduced in organizations employing more than 100 workers. Bearing this in mind it is known that the great majority of the economically active population is employed in organizations of less than 100 workers; and
- Only representative trade unions, that is, a registered union or two or more registered trade unions acting jointly which have the majority of workers, may apply for the establishment of a workplace forum. The Act makes no provision for the recognition of other longer established forms of worker representation or participation structures.

If the end goal of government is industrial democracy, should the benefits of these forums not be extended to all workers, including non-union workers, as well as those employed in small businesses?

4.3.3.10 Co-determination and the two-tier-board system

Co-determination can be defined as the "...collective participation of workers in the management of the workplace, or in the management of production" (Streeck, 1994:87).

German works councils have power of co-determination (in which they have the capacity to block management actions and direct matters to arbitration and to raise proposals of their own) and participation (in which they are entitled to information and consultation). The intent of the co-determination legislation is to establish a new equilibrium in the power relations between employers and employees in the organizations. Management voluntarily established during the last century some rudimentary form of worker participation. The reasons were to keep unions out of the organization and to provide management policies at plant level with a better legitimization (Anstey, 1995:22).

Co-determination is more than joint consultation for it involves an element of representation of interests. In other words, where there is a strong co-determination system, workforce representatives, in addition to having the right to listen and respond, also have rights to co-decision-making. They can say no and ask for a different decision (Streeck, 1994:89).

In shareholder companies, a two-tier board system exists. That means that there is a supervisory board on the one hand and a management board on the other hand (Anstey, 1991d:105). (Anon.,1981:25). The following comparison is being given:

Table 14: Two-tier board system

Supervisory board	**Management board**
• is tasked with strategic decision-making; • consist of a joint labour-management body; • has powers to: set general company policy, supervise management, approve financial statements and management decisions before they can be implemented	• tasked with the management of the organization; • consist of management only; • has the task of: advising on intended business policy and business performance

Source: Anstey (1991d:105) and Anon. (1981:25)

Co-determination limits managerial prerogative. Managers often have to do things that they would otherwise not do, for instance:

- Provide information to representatives of the workforce;
- Consult with workforce representatives - to ask for proposals, counter proposals and listen to alternatives; and
- In some systems achieve consensus with the workforce (Streeck, 1994:87).

Information, consultation and co-determination in the narrow sense are the three modes by which managerial prerogative in co-determination systems are limited. It is for this reason that management very often does not approve of co-determination.

A powerful justification for co-determination draws a link between greater empowerment of employees of a business, and the smooth functioning and productivity of that organization. In South Africa, this approach must be addressed at the level of the non- and semi-skilled work force, according to Powell (1993:213). The argument for co-determination lies in the perspective that co-managing of workers' own jobs, fulfills their higher need for esteem and self-actualisation (see Maslow's theory paragraph 2.8.3.1). These happier employees work productively because they are fulfilled human beings and in particular are prepared to invest effort and initiative in their jobs as these very jobs provide their fulfillment and contentment.

Co-determination, according to Streeck (1994:88), involves workforce representatives in issues of production as opposed to distribution. Through co-determination labour at the workplace affects the way in which the product is produced. Usually such intervention in management decision-making and in managerial prerogative is based on legal rights or a legally backed industrial agreement. In Sweden, for instance, there is a national law that makes it obligatory for firms to have a co-determination agreement with the union. This agreement regulates how the workforce can intervene in decisions that are subject to co-determination. Lastly the writer points out that co-determination typically does not take place through unions or collective bargaining, but through works councils.

German participation systems have been driven by representative forms - co-determination at board level and works councils operating at higher levels in the organization - rather than direct worker participation (paragraph 4.3). But this is changing, as trade unions proactively pushing for decentralization of decision-making structures and self-directed teams to improve cost competitiveness (Anstey, 1995:22).

Co-determination, in its various forms, has for some time been an accepted part of the worker relations systems of many overseas countries, but has never been experimented with or practised in a similar way in South Africa.

Miles (1996a:37) states the following; "It would be wrong for us in South Africa to assume that we can simply transplant one country's system of co-determination (such as Germany's) as the model system.....We have to develop our own system of co-determination if we wish it to operate effectively in our (South African) environment".

Co-determination is the implementation and practice of worker participation, if we want to move away from an adversarial system of industrial relations towards a more collaborative - and hence a more codetermined - one.

Workplace forums and disclosure of information cannot be construed as a system of co-determination *per se* and simply making legal provisions for such structures does not mean that there will be a system of legalized co-determination in this country, according to Miles (1996a:39). Co-determination will only work if there is acceptance of and commitment to such a system by both management and organized workers in the workplace. In order for a South African system of co-determination to evolve, it is argued that the following should form the key principles of that system:

- Influential consultation should take place between management and the elected/ appointed worker representatives, where management should make decisions based on the suggestions and input from worker representatives;
- Relevant information should not only be shared, but also be explained and expanded in order to "level the playing field" and to reinforce trust;
- Joint decision-making that is distinguished from negotiation and/ or consultation;
- The process of co-determination must be formulated through a rights-based document known as the co-determinational agreement;
- The process of co-determination must be seen to manifest itself in the workplace through visual implementation;
- Task-related issues should be included in worker participation during operational decision-making;
- Management must involve worker representatives in joint decision-making on policy issues;
- Relevant financial disclosure must be incorporated into the system of co-determination through which workers can learn accountability and responsibility; and
- Up until now the negotiation of recognition agreements has primarily conferred to a representative trade union the status of collective bargaining agent of the workers in the workplace. In order for co-determination to have status, those same agreements need to be revised to confer to the representative trade union the status associated with the right to be consulted or to participate in joint decision-making (Miles, 1996a:40-41).

Miles (1996b:27&29) went further in identifying a four component model to form an overall structure for co-determination and collective bargaining to operate effectively in South Africa:

- Component 1 comprises the collective bargaining forum where management and union representatives meet on an annual basis;
- Component 2 would be the key co-determination body - named the workplace forum, with opportunities for representation by middle management, supervisory staff and labour constituencies, which would meet on a regular basis with representatives of the directors and top/ senior management. This body would by directed by a co-determination agreement;

- Component 3 comprises a series of committee structures, which extend the process of worker participation throughout the organization; and
- Component 4 is more a process that emphasizes the need for building internal consensus amongst both general workers in their respective constituencies, and the policy-making top management. This component develops a sense of empowerment. One can thus say that when talking about participative democracy, there is to be a general consensus amongst all the constituents before agreement can be reached. Or, when one deals with a representative democracy, the constituents empower their duly elected or appointed representatives to reach agreement on their behalf in their best interest.

For co-determination to operate effectively, we need to empower the representatives of all interest groups and this can only be achieved through development opportunities in the process described under "Component 4" above.

4.3.3.11 Advantages and disadvantages of workplace forums

Van Zyl (1997c:33-34) states the following advantages and disadvantages, as formulated by fourteen unions that were interviewed. The major advantages from a union perspective are:

- Enhancement of workplace democracy, participation and co-operation is being established;
- Worker participation is fostered by workplace forums where the literacy levels of workers are high;
- Unions and the workforce will benefit from the disclosure of information;
- The workforce obtained education and training; and
- As workers turn to unions for advice on workplace forum issues, there will be higher levels of interaction between the unions and the workers.

The major disadvantages are:

- Because of the low levels of literacy, workers may not be able to deal with complex issues. Intensive training to deal with these issues is thus required;
- Unions are undermined by the workplace forums, especially where unions are weak;
- The workplace forum may be manipulated by management;
- Lack of time and resources on the side of union officials to deal with issues, to attend meetings and to provide expert advice, may be a hazard;
- The fears are expressed that shopstewards may be replaced by workplace forums; and
- Unions do not have sufficient control over forums.

Parties may collectively agree on the shape of their relationship at the level of the workplace. Matters for consultation and joint decision-making listed for workplace forums are subordinate to the provisions of any relevant collective agreement. Trade unions have the power to initiate or trigger a workplace forum, enlisting the assistance of the Commission for conciliation, mediation and arbitration. On the other hand an employer may not initiate a workplace forum, although an employer may invite a trade union to "trigger" the process leading to the formation of such a structure.

Delport (1995:417) points out the following in terms of workplace forums in South Africa:

- The effective functioning of the workplace forum can be catastrophic, be it for management or the organization. In a workplace forum a decision can be made about, for instance, the strategic business plan of the organization. This decision can be in the interest of the worker, but not necessarily in the interest of the organization. If the organization should have any losses, then management will personally be accountable, because management is firstly accountable to the organization and to no one else. If the decision is made, it can have far reaching consequences for the organization. The result will be conflict.
- A further problem is whether representation on the workplace forum will be acceptable to organized labour, especially if the level of representation and the including of non-union members are taken into consideration. Apparent indications are that this will not be acceptable.

The number of works councilors depends on the size of the organization, and this also has a bearing on whether they operate on a full time or part time basis. Anstey (1990:14) define a works council as one that is not a joint body but consist of elected worker representatives only. "It is an instrument for labour-management co-operation and has both advisory and collective bargaining functions of the trade unions ... it must not bargain on remuneration and other conditions of employment which ... are normally fixed by collective agreement between trade unions and employer associations."

Originally works councils were designed to deal with matters of common interest, other than those reserved for collective bargaining. In some countries works councils aroused little enthusiasm - they have no powers of decision on matters except on some minor welfare questions (Anon., 1981:199).

The works council, sometimes called "workers council" (German terminology) or "workplace forum" (South African terminology) is the main instrument of employee representation at factory-floor level. All workers may vote and be elected if they have worked for at least 6 months at the organization and it is not necessary to be a member of a trade union. In large companies such as Volkswagen, the trade unions have a powerful say in the composition of candidate lists

The establishment of statutory works councils or committees is probably the most widespread and best known means of associating workers with decisions in organizations through machinery which can be geared in with the trade unions, while remaining, in principle, distinct from them, both inside and outside the organization. A major problem, according to Anstey (1995:5), is that South Africa, like Britain, has developed a potpourri of traditions. A strong bargaining system has developed for shopfloor democracy. This constrains a simplistic adoption of the German model in which there is a clear separation of functions and processes. The potpourri industrial relations system will make adaptations difficult, not only because trade unions have become used to bargaining at multiple level in the worker relationship, but also because despite previous inadequacies in the law, they have in many senses achieved a *de facto* right to strike at each of these levels as well.

4.3.4 Teams and job enrichment

Teams have become an important part of modern managerial parlance. Yet, according to Anstey (1991a:7), the concept of teams is fluid and often confusing. Sometimes organizations express a commitment to becoming "teambased" or participative, often with little understanding of what purpose this would serve. This concept is poorly understood, loosely applied and it is often understood as a goal in itself rather than as a vehicle to enhance performance. In some cases effective teams are set up primarily to develop people or further industrial democracy.

Teams have been used to improve problem solving, raise quality, and address the co-ordination of functions and specific projects involving various specialties. They are vehicles of self-management. Poole (1986:48-50) states that the workgroup itself is a powerful vehicle for enhancing output and productivity. Therefore a critically important component of obtaining it, is the development of "workshop democracy". This type of participation is likely to be preferred to higher-level programs by management because they demand so little change in the traditional authority structure of the firm and therefore fit reasonably well into the so-called "unitary conception" of authority within the organization.

Anstey (1991a:9) refers to Katzenback and Smith's (1994) definition of a team as "...a small number of people with complementary skills who are committed to a common purpose, performance goals and approach for which they hold themselves mutually accountable".

Four types of teams can be identified, namely:

1. Collaborative networked designs that comprise the interactions of interdependent contributors co-operating to achieve a specific purpose.

2. Parallel teams that exist separately from the formal organizational structure, which recommend performance improvements and solve business problems.
3. Project and development teams that tend to be assigned to specific tasks, for example a new product development, information systems, research and development teams and factory designs.
4. Work teams that are responsible for producing goods and service. They exercise considerable control over production, sales, administration, management and servicing.

The above mentioned types of teams can be divided into two groups, namely permanent teams and cross-functional teams. According to Anstey (1991a:9), permanent teams are a natural form that are comprised of employees working on a common product or service and reporting to a common leader. They might make decisions about the quality and quantity of their output, and the manner in which they operate, for instance their job responsibilities and their governance. Cross-functional teams comprise members from a spread of departments and functions to co-ordinate, plan and make decisions about organizational performance. They may be permanent or temporary in character.

4.3.4.1 Characteristics

Lawler (1986:103-110) identified the following characteristic of work teams:

Membership in work teams includes all employees working in the specific area. The idea exists that employees should not be given the option of being in a work team, for the team concept rests upon all individuals to participate in the work team. This is in contrast to job enrichment, which can be installed on a volunteer basis.

Work areas which are covered is to give each team a sense of responsibility for a product or service so that there is a clear input and clear output for which they can be responsible. For example in the car assembly plant at Volvo, one team is responsible for putting in the entire electrical system while another is solely responsible for doing all the upholstery work.

An effort is made to build into the responsibilities of a work team the same kind of task identity, significance and multiplicity of skills that is built into individually enriched jobs. The difference lies in the fact that the responsibility for doing the work is shared among people rather than given to an individual. Cross training is given so that all team members can do most, if not all, of the tasks that fall within their work team's area of responsibility. This leads to work group flexibility and gives people a sense of ownership and responsibility for the final product that comes about through individual job enrichment, where one person actually takes the product from beginning to end.

Training can be divided into two dominant types. Firstly, there is extensive task training, which is necessary in order for individuals to effectively perform multiple functions. This type of training can go on for years. Secondly, there is interpersonal skill training. Work teams spend a considerable amount of their time in meetings and, as a result, need to be skilled not only in technical matters but in interpersonal matters. "To a very significant extent, a work team is only as effective as its group process." Many people come to the workplace without the necessary interpersonal skills that are needed to make decisions, give feedback and interact with one another. It seems to be the hardest part of being in a team, for it asks for change in lifelong patterns of behavior.

Meetings held regularly once a week and additionally as needed. Meetings typically deal with the regular business of the team, such as production problems and day-to-day work-assignment issues. Production may be stopped and a meeting held if there are significant quality problems.

Supervision in work teams varies from where a leader is allowed to emerge and is voted on by members of the work team, to a team leader who is appointed to have responsibilities for more than one team. In the beginning it is an extremely critical and difficult role that should be filled. Teams are not able to make many critical decisions and as a result the team leader has to be extremely active in the decision-making process. As teams mature and develop, the leader's role changes. He becomes more a facilitator and communication link.

Reward systems change when a work team is started in terms of the installation of skill-based remuneration. In this remuneration system, individuals are paid for the number of tasks that they can perform rather than for the job they are doing at the moment. Cross training is applicable here. This remuneration system encourages people to learn multiple tasks because it increases their remuneration as their flexibility and skills develop. This approach helps to create a climate of personal growth and development in the work team. Small group or gainsharing type bonus plans are installed to deal with the issue of rewarding performance. This is the reverse of job enrichment programs. Skill-based remuneration is often added to encourage individuals to learn necessary skills. However it may not lead to bonuses or remuneration rewards being tied to team performance. This may be a serious omission since it means that the financial interests of the organization and the individuals are not the same. The individuals may be more interested in learning new skills because they are rewarded for it, while the organization is interested in performance.

Decision-making involves all decisions that are required to run a small business. They hire, fire, determine and remuneration rates, determine quality, specify work methods, manage inventory, and so on. Terms like "self-managing work groups" or "autonomous work groups" come under criticism

because they imply more freedom in making decisions, and that management has no power over the group. Therefore it is common to use terms like "self-regulating work groups", "semi-autonomous work groups" and simply "work teams".

Installation process is done on an "experimental basis". Like quality circles, a few are tried to see how effective this idea is likely to be in a given work situation. Installation is generally done in a top-down manner: that is, management decides to implement them and volunteer work areas are solicited. Once several have been identified, the installation proceeds, usually with limited input from the workforce in the work area. In the beginning work team members are very much in the mode of learning and trying to absorb the idea of work teams. It takes a considerable period of time to develop effectively, in some cases two to three years. During this time, the group is learning to deal with difficult group-process and decision-making problems and becomes more self-regulatory.

Size is not pre-determined, but mostly it is suggested that somewhere between seven and fifteen members is optimal.

Power: Power is moved to lower levels in the organization. If, for example, they move decisions regarding remuneration, selection, production, and purchasing into a work team, they affect power more than individual job enrichment. All important business decisions that affect a work area can be referred to the employee in the work area. Teams are able to deal with issues that cannot be handled by individuals, such as deciding who works on which shift, training each other, and purchasing equipment which will be used by several individuals.

Knowledge: Instead of simply knowing one task, they are expected to learn multiple tasks. An effort is made to move vertical tasks into the work teams so that employees may learn important managerial and staff support skills, for example, scheduling, inventory control and so forth.

Information: Information is moved to lower levels. When responsibility is taken for vertical skills, information will be needed about business operations and also about costs that were not previously available to lower-level participants.

Overall: Work teams make an important difference in the participative structure of organizations. Individuals end up with knowledge and skills, information, rewards and power that they do not have in traditional organizations. Office and support people in plants, for example, are usually not in teams, as only a part of the work force is involved. Other systems that are changed by the implementation of work teams are the training system and the remuneration system.

4.3.4.2 Work teams as a form of participation

Work teams constitute a direct form of participation. Yet the concept of teams is often confusing, for organizations sometimes express a commitment to become "team-based" but have little knowledge of what purpose this would serve. The concept is thus poorly understood, loosely applied and often understood as a goal in itself rather than as a means through which performance can be enhanced. Teams must be seen as vehicles of self-management, such as quality circles (paragraph 4.3.6).

According to Lessing (1996a:5), teams are seen as a beneficial and profitable mechanism through which management and worker relationships are being improved through greater communication and greater tolerance. It thus revolves around the democratisation of the workplace, as well as an outlined connection that is being pursued. Workplace democratisation can be achieved through teams and the role that they play. The effective handling of teams can contribute to participative management, as well as co-ownership and healthy and improved relationships.

Anstey (1991a:9) refers to the differentiation between the following types of teams that could be found in an organization:

- Collaborative network designed teams which comprise the interactions of interdependent contributors co-operating to achieve a specific purpose;
- Parallel teams which exist separately from the formal organizational structure and recommend performance improvements and solve business problems;
- Project and development teams that tend to be assigned to specific tasks, for example information systems, research and development teams, etc. These teams are usually autonomous and empowered to make decisions but must be responsive to their customers' requirements;
- Work teams which are responsible for producing goods and services and exercise a considerable amount of control over productions, administration, management and servicing;
- Permanent teams which may be natural in form, comprising employees working on a common product or service and reporting to a common leader. These teams might make decisions about the quality and quantity of their output and the manner in which they operate; and
- Cross-functional teams which comprise members from a spread of departments and functions to co-ordinate plans and make decisions about organizational performance.

Lessing (1996b:6) stated that the gathering of individuals does not automatically form a group, but that there are certain requirements to comply with, before a collective of individuals can be seen as a team.

4.3.4.3 The effect of work teams

The results of work teams are very similar to those of individual job enrichment. The implementation of work teams can have positive results in some areas:

- Work methods and procedures are likely to improve.
- A gain is likely in attraction and retention.
- Workforce flexibility increases.
- Rate of output may improve.
- Reduction of staff support level may occur.
- Reduction of supervision can be expected.
- Improvement in decision-making.

A psychological phenomenon occurs. They assume the given accountability and responsibility for the production of a product or service. The team starts being concerned about quality, as in the case of individual job enrichment. Good ideas evolve as the team situation provides individuals with the chance to solve problems concerning quality issues. Improvement of production may develop in that teams set production goals and get feedback as to how well they achieve these goals. Flexibility of individuals is created by cross training that allows them to help each other out and sometimes fewer people are needed to keep a production area operating. Groups often decide they can do their own setup, thereby eliminating the need for someone to perform this function.

When groups are cohesive, social pressure can play an important role in motivating performance. Membership of the group becomes an important feature of the workplace. Members are hesitant to be absent and to quit because they value group membership. Members tend to report very high work satisfaction, because the group setting meets the individual's needs for social interaction and belonging, competence, achievement and recognition. When skill-based remuneration and production bonuses are offered, individuals are also reasonably well paid so that their financial needs are met. The individual's self-concept and feeling of security depend a great deal on the group to which he/ she belongs. Therefore participative management (by being closely involved, interaction, consultation and negotiations) is not preferable, but in the present changeable situation, an atmosphere and situation are required in which each one can learn from the other (Simoncelli, 1994:13).

According to Lawler (1986:112), the work team design creates a very satisfying and rewarding work environment that "... lead to individual behaviour that tends to increase productivity and reduce costs.

Expensive absenteeism and turnover are reduced... ...through cross-training, even if individuals are absent or leave, someone who knows the task is available to fill in, and can double or triple up if some aspect of production needs extra help..."

Work teams can have a significant impact on the need for supervisory personnel and staff groups. Many vertical tasks are assigned to the work team, thus there can be a significant saving in overheads. Significant productivity gains can be achieved by leaner staffing. These can in turn offset the somewhat higher compensation costs that are created by the skill-based remuneration system. Decision-making and work methods improve as the team meeting format gives individuals a chance to discuss work methods and procedures. Because employees are cross-trained and have considerable information about the organization, they are often in an excellent position to suggest improvements and solve problems. Because of their superior knowledge and information, they are in a much better situation to solve problems than quality circle members are.
Problems that might occur with self-managing teams are listed below, and are mostly similar to job enrichment:

- Increase in salary costs.
- Increase in training costs.
- A need for additional support personnel for training.
- Expectations for organizational change that cannot be met may occur.
- Resistance by middle management and staff support groups can occur.
- If only a few teams are formed, conflict between participants and non-participants can be a significant problem.
- Decisions may be slow and time is lost in team meetings.

When skill-based remuneration is used, salary costs are likely to be higher than with job enrichment. And because group process training takes time and is expensive, training costs may also be higher than with job enrichment. The union questions the powers of teams since they cut across the traditional role of the shop steward or management. Teams can in some instances have the power to discipline their members, often not following the correct procedures, while management indicated that teams would in future be able to negotiate wage increases for their own members (Joffe, 1995:14). Joffe also points out that although workers indicated that they preferred teamwork to working alone, they do not want the supervisor or any other management appointee as the team leader.

4.3.4.4 Duration and dissemination

As with job enrichment and, to a degree with quality circles, work teams often do not last in most traditionally managed organizations. The reasons for this are very similar to those for job enrichment and quality circles. They stem directly from the fact that teams are usually tried in a small portion of the organization and that they do not affect enough systems or enough people in the organization. Despite the fact that they often meet with initial success, the demands that they make simply require more change than many managers are willing to accept voluntarily.

The greatest strength of this approach is also its greatest weakness. Because it affects power, knowledge, information and rewards, it is effective as well as threatening. For these reasons, it is difficult to disseminate and institutionalise teams in traditional organizations. On the other hand, teams can be the basic building block upon which a high-involvement organization is constructed. They have the potential to be highly effective if they fit the technology and the rest of the organization is designed to support them (Lawler, 1986:116-118).

4.3.4.5 Applications of work teams

One reason why teams do not fit all workers or work situations lies in the fact that technology needs to create a kind of task interdependence that makes work teams an attractive approach to have positive results. For example, teams do not make sense in the case of cross-country truck drivers or telephone operators. Their work is technologically designed to be done by an individual (Lawler, 1986:113-116).

Individual job enrichment works best when individuals have needs for growth, achievement and competence. These same needs must be present for teams to operate effectively, but in addition, people need to value social interaction. Social isolates and people who reject groups and teams clearly do not fit in self-managing work teams, and as a result, not all members of an existing work force adapt well to the team concept.

4.3.4.6 The profile of team leaders

A team leader must be sensitive to the group's processes and to the members' needs. To negotiate he must be fair but firm, honest and have integrity. He must be objective and not take sides. He must reflect warmth and have a real sense of understanding of and caring for people. To get things done, he must have drive, energy and determination. He must be energized by interpersonal contact

rather than stressed by it. Wolmarans (1997:31-32) identifies the aspects of which team leaders must have knowledge and skills.

A team leader must have knowledge about the following:

- Group dynamics and phases in the life cycles of groups;
- Team roles: understanding who is best at doing what and a willingness to rotate the leadership role according to members' task maturity levels;
- The difference between divergent and convergent thinking processes and when to apply the one or the other; and
- Self-knowledge: strengths, weaknesses and aspirations and how to compensate for one's own shortcomings through team members Also see paragraph 3.11 on leadership.

A team leader must have the following skills according to Wolmarans (1997:32):

- Building trust through honesty and sharing information;
- Communication skills: to communicate and to listen effectively;
- Team-building skills: to be able to bring out the best in people and giving and receiving feedback;
- Group process skills/ facilitation skills/ brain storming and other group techniques;
- Creating a common vision;
- Building commitment: leading by example and keep on trying even in the face of failures and difficulties;
- Managing conflict in a constructive and invigorating manner;
- Empowering others by delegating authority and facilitating learning;
- Openness: to break through self-imposed barriers and mindsets *via* introspection and the willingness to admit that he is wrong;
- To give and receive feedback;
- Maintaining focus/ staying centered;
- Creating a success orientation and expectation;
- Being able to reflect on progress;
- Appropriate assertiveness: not to give in into group pressure;
- The ability to facilitate consensus decision-making;
- To serve others in tending to their needs;
- Unlearning inappropriate behaviour that is detrimental to the team's success;
- Resourcefulness/ intellectual versatility;
- The ability to work as part of the team as one of its members;

- The ability to restructure bureaucracies and build cross-functional teams;
- The ability to establish management principles, the primary *modus operandi*; and
- To break down the divisions between unions, management and the work force for the common and company good.

Destructive attitudes for both the team leader and the team's success are, for instance, power hunger and political gamesmanship; extreme individualism and egoism, perfectionism in being unable to accept one's own and members' mistakes. It is important that the team leader is willing to let go of power in order to share autonomy with team members. He must also be willing to share the credit and criticism. He must keep an open mind: a willingness to consider other points of view, to learn from others and accept that he doesn't know it all (Wolmarans, 1997:32).

4.3.5 Team briefing

"Team briefing is a system of communication operated by line management, based upon the principle of cascading information down the line. Its objective is to make sure that all workers know and understand what they and others in the company are doing, and why. It hinges around the principle of leaders getting together with their teams on a regular basis in a small group, in order to put across information relevant to their work. Although there is provision for information from the top, the major priority is local or departmental matters, and it is the leader's job to ensure that his occupies most of the meeting" (Marchington, 1993:211). This type of participation scheme places emphasis on local matters and supervisory explanations (and therefore to some extent interpretations) of a central brief.

Marchington (1993:211-212) states the following advantages of team briefing:

- The role of line managers and supervisors as leaders of their teams is reinforced and enhances their reputation as providers of information, and they are accountable for the performance of their unit;
- Workforce and supervisory commitment to the primary task and the organization as a whole is being increased. It provides workers with greater sense of purpose and direction in their activity. Workers may not agree with a particular course of action, but they can accept it if they understand the reason for it;
- Information reduces misunderstandings, prevents a considerable amount of wasted time and rumours over potential decisions. Changes are accepted through early provision of information;
- Changes and their reasons are understood;
- They ensure that regular briefing about activities; and

- Upward communication is being improved.

However, according to Marchington (1993:212-214) is it not unusual for problems to arise:

- The pattern of work organization may make it difficult to operate team briefing effectively; for example, team briefing will be complicated in organizations where workers work in shifts and there are a large number of part-time workers. More sessions will have to be arranged and there may be problems in getting information across to people who are not at work for several days;
- Team briefing is heavily reliant upon the skills of the leader as the importer of information, the controller of the meeting, the fielder of questions and the achiever of objectives. Provision of training is crucial for briefers, not just the development of an appropriate set of skills, but also the continuous monitoring of those skills and regular reviews of progress against objectives;
- The language of team briefing is managerial in tone and is concerned with reinforcement of managerial prerogatives. They flow from a unitarian perspective (paragraph 2.6.1) and interpretation of management decisions should not be undertaken by shop stewards. Trade unions are suspicious of management motives when introducing such a scheme, and see it as little more than an attempt to weaken union organization by the back door.
- The notion that workers will accept decisions even if they do not agree with them, just because they understand the reasoning behind such decisions, can only be sustained in the context of a massive power imbalance.

Implementation of team briefing has the greatest likelihood of taking place in two quite different sets of circumstances: on the one hand, where there is little or no union organization, and management's interpretations of events are those which are more likely to secure acceptance from the workforce. On the other hand, if there is a strong union present in the workplace, they have little to fear from this new communication initiative. But where there is a history of distrust and overt conflict between management and the unions, there is more likely to be suspicion of any new initiative directed at individual members and workers (Marchington, 1993:214).

4.3.6 Quality circles

"Quality circles are small groups of people from the same work that meet voluntarily on a regular basis to identify, analyse, and solve work related problems" (Huss *et al.*, 1987:9).

In other words it implies changing organizational behaviour, and top management is responsible for molding an organization's management style. The definition of quality circles is flexible and surfaces

in many forms with the same basic constraints. An important part of every quality circle's activity is presenting its ideas to management for approval. This selling or presenting of ideas is usually carefully planned and involves several different levels in the organization. The employees usually have only their expertise and the credibility of their arguments to help them.

It is important to note that quality circles cover only a percentage of the work force and thus are not organization-wide in their nature. They cover only a small portion of a person's time in a workplace. They do not change the ongoing day-to-day activities of the individual who participates. It is important to know that quality circles are teams (paragraph 4.3.4). But can quality circles implement positive changes in organizational behaviour when traditionally quality circles are started at the bottom levels of the organization, with substantial neglect of the middle levels? According to Huss *et al.* (1987:10), such changes cannot be initiated effectively when change is started at the bottom and force-fed upwards. To get unions involved in quality circles has either been regarded as unnecessary, or management has not even considered it. But this would defeat the principles of a democratic workplace and participation. The union movement is far from unified in its evaluation of participation, because participation is judged against the yardstick of increased control, according to Huss *et al.* (1987:11). On the one hand, workers see that quality circles move from production problems into other areas, and on the other hand quality circles are seen as a potent anti-union tool. It is therefore essential that management must think through the role that unions should play in quality circles.

Brand *et al.* (1992:50) claim that although the success of quality circle programs are frequently connected to factors such as the prevailing organization climate, organizational culture and politics, the lack of mechanisms to evaluate and give feedback can result in the failure of quality circle programs.

4.3.6.1 Characteristics of quality circles

According to Anstey (1991a:7), the implementation of quality circles does not demand major shifts in power relations in traditional, hierarchically structured organizations. Quality circles are a direct form of participation. The actual characteristics of quality circles differ from situation to situation. Each organization adapts the basic model to its particular situation and consultants' recommendations vary regarding the way in which circles should be designed and installed. But there are enough similarities among the different approaches to clarify a general quality circle model with the major characteristics as discussed by Lawler (1986:46-50) as follows:

Membership is composed of volunteers from a particular work area or department. It is rare for all the members of a work group to be involved. Volunteers staff them and this is further evidence that people really want to be involved in decisions that affect their work. In addition, for most workers the idea of being in a problem-solving group adds excitement to their regular activities, which often are boring, repetitive and tiring. Over time, membership typically changes. In many instances circles stop meeting and new ones are formed in the same work area. In early days, quality circles were implemented among the blue-collar areas. Recently circles have been tried in white collar and technical areas and are now used throughout some organizations, but usually do not involve managers (Marchington, 1993:214).

The agenda for meetings is very clearly stated and programmed so that it is limited to just quality and perhaps productivity discussions. They primarily focus on improving product quality, productivity and cost reduction in some cases. They are not given a broad mandate in which the organization could be helped to operate more effectively and to improve the quality of work life. This is in contrast to union-management quality of work life programs (see paragraph 4.3.7). Anstey (1991a:7) remarks that quality circles are small groups meeting voluntarily to perform quality control functions in the workplace. This is usually part of a larger company-wide quality improvement program. They meet to solve work-related problems under the leadership of their supervisor. Meetings last approximately an hour every week or fortnight and are held in company time.

Rewards for performance are not directly linked to direct financial rewards for coming up with good ideas or cost savings. According to the Japanese model pictures, awards, banquets, symbols, and so on are given to quality circles that are particularly effective. However, great stress is placed on the fact that the rewards for participating in quality circles are intrinsic and not financial.

Information shared is limited in terms of operating results, costs, plants and so forth. Participants operate in a vacuum as far as the operating results and long-term plans of the organization are concerned.

Meeting frequency is of a regular basis, often at two-week intervals and lasts from one to two hours. It is not uncommon for members to meet on their own time in order to develop their ideas and presentations for top management.

Leadership is not composed of managers in the work area where they operate. Instead a "facilitator" is provided to meet with the groups. This person has usually been trained in the group process but is not necessarily technically knowledgeable with respect to the work procedures and methods. The

task of the person is to help the group prepare their solutions, work effectively as a team, and ultimately help them present their solutions to management.

The installation process of quality circles is typically in a top-down manner. This implies that a person at the top of the organization decides that quality circles should be implemented in the organization. The implementation goes to the lowest level of the organization where volunteers are asked for. Often the middle levels of the organization and the staff support people are ignored in the early phases. After being trained by consultants, they form the groups, organize the presentations and handle the upward flow of communication.

Power of the quality circles is limited to no formal authority except to meet and make suggestions. They are, as such, no threat to the basic management prerogatives. Thus, they do not demand major shifts in power relations in traditional, hierarchically structured organizations. They operate alongside formal structures in the enterprise.

Anstey (1991a:8) gives the following summary of the characteristics of quality circles:

- Voluntary membership;
- Members are drawn from a single workplace;
- All members are of equal status;
- They operate parallel to or within existing organizational structures;
- Members identify problems and choose projects;
- Members are trained in problem-solving skills, meeting skills, project management and presentation, decision-making skills and methods;
- Meetings are frequent but short;
- There is little time pressure;
- There is facilitator assistance;
- Solutions to problems are evaluated for cost-effectiveness;
- Presentations of solutions are made to management for approval;
- They implement and monitor their own solutions (where practical); and
- Their power is limited.

4.3.6.2 The effects of quality circles

Information: No systematic communication program is associated with quality circles to move information downward in the organization. But since circles often involve people from different areas,

they develop a broader understanding of the different levels, products and procedures, constraints and issues their organization faces.

Quality circles facilitate the upward flow of information about ideas for improvement and it is probably their major contribution in that it leads to a new type of communication that is quite important, as it can have a positive impact on both management and the employees who present their suggestions. Out of the above mentioned knowledge building take place. Training usually increases people's problem-solving skills as well as their communication and interpersonal skills.

Knowledge: Lawler (1986:50) mentions that although participants do not usually learn much about particular work methods or procedures such as scheduling and inventory, they learn how to solve problems, how to interact, how to make presentations and how to deal with others. These are important skills to learn if the organizations plan to move to other forms of employee participation.

Power: In the light of the fact that quality circles have little power, their effect on most decisions is usually small. In fact, they represent a parallel structure to the traditional hierarchical authority. All the traditional power relationships remain in place when quality circles are installed. The only difference is that for an hour or two every week, people have the chance to meet in a special situation where there is a free exchange of ideas and thoughts about improvement. Their only power lies in their ideas and presentation skills. Workers have the opportunity to present their suggestions to the traditional hierarchical structure, which usually has no mandate to accept the results of the quality circle. The quality-circle program actually has no formal authority.

Rewards: As mentioned before, since few quality circle programs involve sharing financial rewards, the reward systems in most organizations go unchanged. In some instances there are exceptions, as in programs that estimate the anticipated saving from the circle's ideas and then give the circle a share of the expected savings.

Overall: Quality circle programs do not change organizations substantially. They do not represent a major move towards having lower-level employees psychologically or financially participating in their organizations. The only thing they do change is the training system in ways that give people new skills and expertise. Their major impact is in developing suggestions and providing a vehicle for processing suggestions that come out of the problem-solving sessions. They help assure workers that their ideas will be heard.

The researcher has made the assumption that because quality circles have limited impact on power, information, rewards and knowledge, there is little reason to expect that quality circles will have a major impact on organizational effectiveness.

To believe that quality circles are purely a productivity exercise is totally incorrect, according to Dewar (1989:251). Quality circles are an exercise in total worker involvement, mutual support and respect that will assist in paving the way towards a more productive quality-of-work life, in a worker participative, harmonious unit. Quality circles do not necessarily reduce cost. "The best, irrespective of cost savings, are those that display a high degree of innovative thinking on the part of members of the team through the step-by-step approach, and those that display that methodical thinking has prevailed to ensure that the latent cause of the problem has been highlighted."

According to the research of Brand *et al.* (1992:55) participation in quality circles has no effect on attitudes such as work satisfaction, attitudes towards the organization, supervising, co-workers or work involvement. It rather has an influence on participation in decision-making. In other words, among workers it leads to higher (more positive) perceptions of the degree of influence and opportunities they have to make their own decisions in relation to their work.

4.3.6.3 Duration and dissemination

The enthusiasm of the volunteers to be involved in problem solving carries through the training, the initial meetings and the identification of some initial problems and the identification of solutions to several important problems. The few quality circles that fail at this stage do so because they cannot identify a reasonable problem to attack or because they find the problem unattractive and unsolvable. All may go well through development of the presentation of the solution and initial meetings with members of management about implementing the suggested solutions. But according to the researcher, a major problem can develop at this point: management rejection of the ideas. There is a wide range of reasons for rejection. One is simple resistance to change due to the managers' lack of participation in problem solving.

However, quality circles can survive, for instance where a form of profit sharing that allows employees financial participation and rewards them for their suggestions supports quality circle programs. They also have a program of lifetime employment that ensures that workers will not be laid off even if they come up with labour saving ideas. It also ties their long-term interest much more closely to those of the organizations, since both parties know it is a virtually permanent working relationship.

4.3.6.4 Evaluation of circles

As discussed, quality circles have a positive impact on employee satisfaction, which in turn can lead to reduced absenteeism and turnover. The researcher is of opinion that the individual at least feels better about his/ her work and organization when he/ she is part of a circle. Researchers have found that people who are not in circles often resent the fact that participants are able to spend several hours a month in "non-productive" activities while they must continue working. Lawler (1986:62) clarifies the following possible advantages of quality circles:

- Work methods and procedures are likely to improve;
- Participants are likely to be attracted and retained by organizations;
- New methods improve the product or service quality and thus may lead to a possible increase in the rate of output;
- Better knowledge improve decision-making in a few areas; and
- Participants develop decision-making skills and group process skills.

Some areas are relatively unaffected by quality circles. These include staffing flexibility, amount of supervision, and grievance rate.

According to Huss *et al.* (1987:10), the problem arises that supervisors don't trust management, middle management doesn't understand the process, and management at all levels are not involved. This approach implies as well that few managers are taught the same things their workers learn as members of quality circles, such as how to conduct an effective meeting and what the rules of brainstorming are. Many organizations implement quality circles without really thinking through the process. The top executive hears of some form of success, usually associated with cash benefits, productivity or other bottom line effect. He then charges some managers, often from human resources, to research the topic, in this case quality circles.

The researcher summarized possible problems resulting from quality circles as follows:

- New skills may increase salary costs;
- Increase in training costs;
- Support personnel will increase to support circles;
- Expectations for organizational change may occur;
- Resistance by middle management will occur;
- Resistance by staff support groups can be a major problem;

- Expectations for personal growth and development will occur and, if not fulfilled, will become a problem; and
- Time may be wasted in circle meetings and in reviewing their suggestions.

Middle management hears only three things, namely that workers should be allowed time off from their regular jobs for an hour each week to perform circles work, middle management are not going to be in the same office during that hour with their workers, and they are not going to tell their workers what projects to work on (Huss *et al.*, 1987:10). For top management this information to middle management is sufficient, but it is enough to scare them off. Whether quality circles are a good investment remains a question for the researcher that can only be answered in terms of a specific organization and its nature. It is clear that they can produce some positive results, but whether these results represent an adequate return on the required investment is as yet unclear.

Marchington (1993:216) points out that as in the case with team briefing (paragraph 4.3.5), quality circles can be used as a mechanism to bypass or to compete with trade unions, especially where there is no sufficient consultation and negotiation with trade unions on the terms and conditions of the implementation of quality circles in the workplace. Quality circles may also be seen as an altogether more dubious form of participation, in that the feeling of control is greater, although the actual control and influence over strategic decisions is likely to be minimal.

Huss *et al.* (1987:12) imply that an approach of top-down implementation of quality circles should be followed, where top management force the first circle in line with the philosophy/ practice of this process. Each manager then forms a circle of immediate subordinates and so the process moves down through the organization. The benefits of such an approach are that the process is learned by management at all levels, trust is earned, managers become leaders and facilitators and the process becomes an integrated management style.

4.3.6.5 Purposes of circles

It seems to the researcher that the purpose of quality circles is firstly to establish worker participation in problem solving to improve quality and productivity, and secondly to share ideas that may be potential cost-savers. But these quality circles tend to self-destruct eventually and are thus not a viable long-term participative strategy for organizations.

Quality circles can be a starting point for a long-term move toward participative management. They can lead to other types of employee involvement by changing some of their design characteristics. The major advantage of using circles as a starting point is that they help train individuals for

participative management. They are just a small step toward participation, which is a non-threatening form for traditional organizations and can solve more obvious problems that an organization may face (Lawler, 1986:64).

The attractiveness of quality circles lies in the fact that they do not change the organization and do not move power away from the traditional hierarchy. They leave the power comfortably resting in the hands of the management group. Top management does not find them threatening and find them comfortable to purchase as a commodity. It would be wrong to view quality circles as an end in themselves and as a permanent approach to participative management.

4.3.6.6 Swedish socio-technical teams

A different approach to quality circles was being explored in Sweden, namely the socio-technical teams. Employees has rejected tailored work practices, using a rash of strike and protest actions to demand new forms of work organization and greater democratization of the workplace. Unions rejected direct participation for fear of co-optation.

Socio-technical teams operate autonomously or semi-autonomously in cells rather than in an assembly configuration, and to varying extent regulate themselves with regard to pacing, co-ordination sequencing and quality control of work and are responsible for their own maintenance, housekeeping and administration (Anstey, 1995:20).

"Autonomous groups" or socio-technical teams were introduced, but after a promising start the projects collapsed because of conflicts over strategic action areas. Flexibility to order is enhanced in the absence of an assembly line and workers require extensive multi-skilling to carry out the range of tasks required by the process (Anstey,1991b:37). Within this approach, Swedish unions were sufficiently powerful to oblige restructuring to assume the form of a social compromise. This approach centers on the organization and control of work; it extends beyond traditional, adversarial collective bargaining (that is concerned about the distribution of wealth created and workplace justice) into "how work is done" and how quality and productivity might be improved. (See table 15 on comparison between Japanese and Swedish models of teamwork).

The socio-technical teams approach demands a considerable revision of traditional hierarchical management structures and production processes such as:

- The horizontal division of labour is reduced;
- The conversion of fragmented, repetitive jobs to functionally coherent jobs;

- The moving assembly line is replaced by a stationary production process (cells);
- Long task cycles are replaced by short task cycles;
- The controlling role of the first-line management is transformed to co-ordinating, planning and supporting;
- Strong trade union commitment to the process, as opposed to it being sidelined;
- Higher levels of skill development, job variety and worker responsibility;
- Lower levels of stress-related disorders among employees; and
- Greater flexibility and quality in production for competitive purposes (Anstey, 1991b:37).

Table 15: The comparison between Japanese and Swedish models of teamwork

CHARACTERISTIC	JAPANESE	SWEDISH
Production arrangement	Trimmed lines and JIT control.	Socio-technical adaptation and increased work content up to complete assembly.
Relations between groups	Eliminate all buffers and variation in individual work pace.	Increased autonomy and reduced interdependencies between groups allowing variation in individual work pace.
Supervision and co-ordination	Strengthened hierarchies of control although delayered, Foremen decide on matters of training, promotion and wages.	Reduced control with teams assuming responsibility for planning, and daily activities.
Administrative control	Team leader selected by first line management. Workers suggestions encouraged but decisions taken hierarchically for standardization.	Team elects group leader often on a rotational basis
Work intensity and performance standards	Intense managerial and peer pressure for maximal performance - no upper performance limits.	Performance limits contracted with trade unions. A actual work intensity varies according to wage system and peer pressure.
Union role	Management decides work organization, pace of production and job design.	Union contract regulates job content, wage system, and managerial prerogatives, and union involved in matters of structure and staffing at all levels.
Control base	Management driven	Autonomy through social compromise

Source: Anstey (1995:21)

4.3.7 Job rotation, job enlargement and job enrichment: quality worklife programs

Job rotation refers to the practice of changing workers from one job to another. Job enlargement implies the extension of the range of tasks undertaken by a particular operator. Job enrichment entails the giving of far greater responsibility to workers and enabling them to make decisions that were formerly the prerogative of supervisors; and the more extensive changes envisaged in quality of worklife programs.

Symptoms of alienation are, for instance, high rates of absenteeism, labour turnover, sickness and accidents that show a marked deterioration, while small strikes and stoppages are almost certainly attributable to alienative environments. It seems that job enrichment significantly affects the decision-making powers of working people. Where quality worklife programs have been implemented, positive benefits such as productivity, flexibility, work satisfaction and healthy industrial relations as well as quality and output all increased, while labour turnover and absenteeism declined and workers' attitudes to management became far less antagonistic. But it has been found that middle management and supervisors are most hostile to these changes, for the greater the power which accrues to the workforce in this respect, the less is available for middle management and first-line supervisors.

Poole (1986:58) states the following: "...the essential characteristic of any effective change in the direction of job enrichment is the delegation of greater responsibility to individual workers and workgroups, so that some shop-floor decision-making passes from supervisors to the workgroup ... this immediately changes the position of the supervisor ... This does not mean that fewer first-line managers or foremen will be needed or that their span of control will be increased, but that the numbers at intermediary levels will be reduced or even eliminated. The jobs of those remaining will be substantially changed... they may feel that their last remaining vestige of status and responsibility has been stripped from them."

Cangemi (1988:5) is of opinion that quality of worklife starts with the mind. It starts with the improvement of an individual's self-esteem and self-worth; it starts with helping an employee develop a higher degree of self-regard. He further says: "...the most promising way to affect an employee's self-esteem over the long term, in his observation and experience, is through consistent personal involvement in an organization's problems and concerns, encouraging that employee to contribute to their solutions." This implies that management trusts and values the workers, thus improving the quality of his worklife.

Direct worker participation on work process issues occurs at low levels in an organization and seems to improve productivity and organizational performance. It is the least threatening of the available range of option in terms of challenges or adjustments to managerial authority. This system is most favored by employers, according to Anstey (1990:19).

Small group activities to raise productivity and improve labour-management relations have been in use in Japan since the 1950's. Here the concept of quality circles (paragraph 4.3.6) arose that developed into a national movement contributing to the transformation of the Japanese economy. With an emphasis on collectivism and paternalism, managers and unions alike in a common spirit of nation building have accepted it. But why did it work in Japan? According to the researcher, the answer lies in the type of decisions that the workers were allowed to make.

Quality worklife programs comprise labour management committees at all levels in an organization from senior management to plant levels. These committees do not deal with collective bargaining issues, thus avoiding undermining the trade union's role in substantive negotiation, but seek to extend union influence into decision-making and processes beyond the adversarial.

Initiatives tend to be reliant on the overt commitment of top-level management and trade unions and sitemaps grown downward through an organization on the basis of mutually agreed projects or problem areas. Influence is dependent on top-level commitment, as Quality Worklife committees tend not to have any formal organizational power (Anstey, 1995:18).

Under the approach of managerialism, trade unions are seen as an obstacle or at least unnecessary to participation. It suggests that effective management that leads to economic growth should be based on co-ordinating independence of small groups operating in an innovative autonomous manner, rather than through a bureaucratic work to rule approach. Instead of unions, wide ranging communication channels, protection against arbitrary power, job security, personal planning and organization development thrusts are offered.

The other approach, quality worklife, is based on the recognition that, while old style unionism and collective bargaining may be inappropriate, their usefulness is not redundant. The representation of worker interests is still important, for the abuse of power and ongoing grievances and conflict in the workplace still exist. But a continuation of traditional adversarialism could well be seen as a continuation of a long-term decline.

A step towards participation demands fundamental changes in structure, policies and practices. Trade unions are thus required to move beyond collective bargaining and the strike weapon to other

forms of representation and participation. Anstey (1990:22) defines Quality Worklife programs as those of co-operation between organized labour and management that are based on a common endeavour to see organizations survive and grow in an increasingly competitive environment, and require the following changes:

- Management styles have to be shifted at all levels;
- Embarking on the sharing of new levels of information;
- Adjusting of authority relations;
- "Union bashing" should be dropped as a tactic;
- Unions need to take a risk in moving beyond the challenge role into organization building and training roles; and
- Unions need to adjust their philosophies and risk members' perception of co-optation by management.

It is important to remember that Quality Worklife has not attempted to replace collective bargaining. Quality Worklife programs raise worker satisfaction as they become more involved in problem solving, and there is often a reduction in adversarialism in relations. Worker satisfaction does not, however, necessarily lead to increased productivity. Research on this aspect of Quality Worklife initiatives is equivocal (Anstey, 1995:18).

4.3.8 Financial participation

Financial participation may assume many forms in organizations. The development of financial participation schemes (to promote savings and a wider distribution of wealth) can be traced back to the previous century in Europe. But in the contest of competitiveness and rigid wage costs, it has become urgent for trade unions and employers to address the financial participation option. Such schemes should be planned, introduced, shaped, formed and monitored by the parties involved.

Bussin & Thomson (1995:23) define financial participation as the gains of the organization that are shared equally between the workforce as a group on the one hand, in proportion to remuneration of shareholders on the other hand. It is based on the simplest formulation for productivity, namely output divided by input. In financial terms, this is simply turnover divided by costs.

Horwitz (1989:112-113) identifies two approaches towards financial participation, namely the evolutionary approach and the cyclical position approach. The evolutionary approach refers to a progressive expansion of many types of participation during a given time, and claims that financial participation is merely part of a continued expansion and advance of more enlightened and

democratic management-employee relations practices. The cyclical approach envisages participation that develops in areas of economic growth or unrest, or conversely when an ailing organization may resort to participation in order to survive for example Pan American Airlines.

Various profit- and gain sharing systems have been identified, but all have one thing in common -a portion of workers' remuneration is linked to the company's fortunes. Anstey (1991a:12) remarks with regards to this that:

- Profit-share schemes distribute a share of profits to workers, either in cash or as savings or share ownership.
- Gains-sharing schemes are linked to productivity rather than profitability and seem to work best as part of a wider participation system in the organization;
- Premium remuneration plans distribute rewards according to measured daily output and are designed to achieve a desired standard of performance;
- Productivity-sharing plans work on a value-added basis, surpluses or a proportion of surpluses being added to worker wages;
- Remuneration-by-results systems accord remuneration for units of output or performance in a specific operation, motivating workers to produce higher standards and output levels;
- Merit-rating schemes assess performances against standards set in specific work areas and workers are rewarded periodically for their achievement in these areas; and
- Group incentives can be used where isolating the input of individual workers is difficult.

South Africa's society comprises a plurality of interest groups and institutions that have an influence on an organization. These stakeholders may in turn be positively or adversely affected by its decisions. They have, in various ways, a significant stake in the performance of the organizations and its continued propriety. Stakeholder groups and institutions occur within the organization, i.e. internal stakeholders, and external stakeholders (Horwitz, 1988:5).

The stakeholder thesis can reflect a pluralist conception of industrial relations, recognizing inherent conflicts of interest between capital and labour, and acknowledging the importance of collective bargaining as a primary process for wealth distribution. It is more likely to work successfully where the trade union movement is strong and able to influence the type and implementation of financial participation schemes.

Financial participation is an individual-based form of participation, based on the willing consent of an individual employee, according to the researcher. Financial participation has little to do with the idea of industrial democracy, since workers' influence is generally limited to being minority shareholders.

A fundamental re-ordering of relationships is required in a post-apartheid society, with workers becoming involved in equity owning schemes and other forms of participation. An important substantive benefit of worker stockholding is the possibility of diffusing polarization arising from the political and economic *status quo*. The complexity of structural discrimination and institutionalised power structures which perpetuate the unequal and irrational distribution of resources and opportunity are, however, important extra-organizational variables, which exacerbate polarization at the work-place level. This highlights the need for organized business and trade unions to explore further areas for possible joint approaches and strategic consensus or alliances.

Lord (1995:10-11) refers to research done in the South African Mining industry, that introduced profit sharing and participatory management for various reasons. The reasons are:

- to improve the organization's business efficiency;
- to improve worker performance; and
- to attract and retain workers.

4.3.8.1 Types of financial participation

- Profit sharing occurs at all organizational levels and is preferable to share ownership schemes, as effort and rewards are considered more measurable. The share of profits fluctuates with the economic performance of the firm, and may therefore not provide a stable level of income over time.
- Employee share ownership schemes (ESOPs) are popular at various levels, but evidence of a link between Employee share ownership schemes and improved worker performance has been elusive.
- Group financial or bonus incentive schemes occur largely in the manufacturing sectors, including unionised firms. The main purpose of bonus incentive schemes is to enhance economic performance and motivation by financial reward.
- Individual performance incentive remuneration schemes occur in non-union or partially/ weakly unionised firms at all employee levels or only at executive management levels and levels for sale functions (Horwitz, 1989:111-112).

i) Suggestion schemes and commonwealth ventures

Suggestion schemes allow only a measure of participation by individual workers in facilitating rather specific technical changes at shop-floor level or in altering work practices, which carry the risk of accidents or sickness. Suggestion schemes concentrate on satisfying extrinsic needs of workers,

such as financial return and job security, but generally do not consider intrinsic needs such as motivation and job satisfaction.

A gap exists in workers' and management perceptions of current participation, which is evidence of the fact that a suggestion scheme is not an effective participative scheme in the form currently practised. Workers perceive that the main motivation behind the use of a suggestion scheme is that of economic productivity. It might be easier to implement a new scheme that is acceptable to workers than to try and change perceptions of a current scheme. Workers do feel better about their jobs when they contribute ideas, but this would be the same of any scheme where workers contribute effectively to decision-making (James, *et al.* 1992:30).

According to Poole (1986:62), suggestion schemes are potentially damaging to the morale within the workgroup. It can encourage competition between members of particular workgroups and lead to substantial differentials in financial rewards. Suggestion schemes also imply some by-passing of union channels since they create a system of individual rather than collective rewards and union officials and shop stewards are rarely implicated - there is thus almost certainly loss of some union authority. The position of the supervisor may also suffer marked deterioration since the perceived difference between his skills and those of shop-floor workers become progressively narrower.

Marx (1992:40) defines suggestion schemes as a participative management instrument that implies a formal procedure through which workers are being motivated to be creative within their work and work environment; to come forward with ideas for which they will get recognition in some way, if such suggestions or ideas will be to the advantage of the organization. This recognition can mean financial or some other form of remuneration.

Poole (1986:67) reports that commonwealth ventures go further than co-partnership systems ensuring both common ownership and the more direct participation of the workforce in decision-making processes of a policy kind. But unless the members of any given commonwealth operate within the terms of a market economy and, by so doing, severely modify the principles on which their new work relationships are founded, it is very difficult to survive competitive pressures, however well-intentioned the experiment and enthusiastic its participants may be. Some advantages of suggestion schemes are as follows:

- Financial savings can result from cost reduction suggestions that are implemented;
- Management gets the chance to take a closer look at core problem issues, while the workers can focus on smaller day-to-day problems;

- Less resistance from workers towards changes, for the changes are being suggested by themselves, and thus they feel committed to the success the changes implemented;
- The task of supervision is being made easier, for workers are more conscious of cost reduction;
- Safety aspects and the obeying of internal rules and regulations in the organization get more attention, because workers are more focused on it them;
- The worker gets the opportunity to amplify his/ her income;
- The worker achieves self-actualizing through recognition; and
- Through their suggestions, workers get opportunities to be promoted (Marx, 1992:40).

ii) Employee share ownership (ESOP)

Employee share ownership is a form of co-operative and is characterised by common ownership where all control and benefit rights rest with employees. O'Regan (1990:122) is of opinion that participation in ownership generally does not mean participation in decision-making.

Mittner (1996:35) claims that Employee share ownership schemes is a method especially for the empowerment of black workers via black managed organizations. It has been classified as an attempt by white management to co-opt workers and is therefore being resisted. But if the management of an organization is black, then unions are more open toward Employee share ownership schemes. This schemes does differ from suggestions schemes in at least four main ways:

- The rewards are collective in nature;
- The whole workforce rather than a considerably smaller proportion of workers is involved;
- Dividends are paid regularly, usually on an annual basis; and
- Not infrequently, individual employee shareholders have actual voting rights and can on the face of it, therefore, influence managerial policy (Poole, 1986:63).

Employee share ownership schemes is the most widely used institution for changing the structure of corporate ownership in South Africa. They provide workers with the option of buying shares and obtaining dividends. According to Anstey (1990:17), a form of (ESOP) developed from the concept of socialist type of worker controlled organizations. This type of employee share ownership has assumed prominence in the USA and the UK over the past fifteen years. Worker capitalism lies in permitting the continued existence of a market economy, property rights and political freedom, while also addressing the problem of inequality by making every man a capitalist. It is thus a reformed type of capitalism. But what is the purpose of employee share ownership? It seems that the purpose is to save jobs, reform capitalism, share wealth created, increase motivation, create a sense of common

identity with the organization, raise capital via tax concessions, acquire other organizations and settle labour disputes.

The Employee share ownership idea has received considerable interest in South Africa due to the realization that (a) inequities in ownership requires redressing and (b) a lack of widespread ownership is a real threat to the free market economy system. It is thus important that control of all decisions should be vested in the workforce of the co-operative. The framework for Employee share ownership schemes are determined by the managers and owners and thus it has been found through empirical data that employees seldom own more than 50% of the shares in most employee-owned organizations. In South Africa where there are about 140 Employee share ownership schemes, employees do not own more than 24% and the average shareholding of employees is 5%. Therefore the fundamental difference between Employee share ownership schemes and co-operatives lies in the one who has control (Jaffee, 1989:195).

Besides control and sometimes ownership of the enterprise being vested in the workers, co-operatives differ from conventional enterprises in the provision made for social goals. Co-operatives are concerned with good working relations between their members, membership education and responsibility to the community at large. They are thus more than a means of creating or saving jobs. This co-operative form is an instrument for both economic and social progress.

Trade unions have voiced concerns over Employee share ownership schemes, pointing out that new levels of organizational decision-making or information disclosure seldom accompany new levels of shared financial risk. Doubts have been expressed over their value in improving worker commitment to the organization. Share price is not directly linked to worker or organization performance and unions believe that these schemes are often introduced without proper negotiation and do not necessarily result in improved rewards for workers. Unions have suspicions about suspected co-optive strategies on the part of employers, for financial participation is not quite related to the control of the organization. Some of the unions feel resentment in sharing responsibilities only at points of lowest ebb. In South Africa there is a view that Employee share ownership schemes do little to resolve fundamental inequalities and injustices in the economy (Anstey, 1990:18).

O'Regan (1990:123) states that there is considerable disagreement between unionists and management as to the value of Employee share ownership schemes. In unionists view', Employee share ownership schemes are aimed at increasing participation in the capitalist economy and they have criticized them for not changing patterns of control within the organization at all. There seems no doubt that Employee share ownership schemes as presently introduced in South Africa do not give workers any role in decision-making. Where employee share ownership schemes give shares to

individual workers, there is no prospect that workers will gain any control in decision-making. This has led to South African trade unions (who have been involved in negotiating employee share ownership schemes) seeking the creation of trust funds over which they would have control.

Employee share ownership schemes have taken off internationally and under certain circumstances they are experienced positively. They can be seen as a wider approach to participation by management (a holistic thrust) that involves all employees, disclosure of information, and they carry "felt" benefits. Beyond this, employee share ownership schemes are not a substitute for an adequate wage level and unions usually insist that this area should be attended to through the process of collective bargaining before showing an interest in other forms of financial participation.

It does seem that the revenue aspect discourages the implementation of employee share ownership schemes. For if an organization wishes to implement employee share ownership schemes, they must help workers on lower levels to finance the purchase of shares. The Organizational Law prohibits an organization from giving away shares. But if an organization gives financial assistance at a low interest rate, to workers, it is being seen as an additional advantage to workers and they are being taxed accordingly. The greater the discount, the greater the taxation (Mittner, 1996:35).

iii) Joint consultative committees and committees covering productivity, welfare, safety and occupational pension schemes

From a managerial viewpoint joint consultative committees are the most advantageous forms of all forms of consultation in that it involves no major reduction of management's decision-making powers. In principle, joint consultative committees are limited to the inclusion of workers in discussions over issues that affect them, prior to a decision being made by management alone. Employees therefore influence, but in no way determine, managerial policy and practice (Poole, 1986:71).

Joint consultation thus in no way disturbs the authority structure of the organization, or severely curtails management's right to decide. In many instances it has been found that management has drawn a clear distinction between consultation and decision-making, the former involving frank and open discussions with advisory committees and the latter being the prerogative of management alone.

According to Marchington (1993:217), joint consultation is a process whereby management seeks the views of workers, usually *via* their elected representatives, before final decisions are taken, but the process is usually viewed as unstable, problematic and time consuming.

The range of issues dealt with in many work contexts has grown substantially during the past quarter of a century and will continue to do so for as long as companies take over functions which might otherwise be performed by public bodies and institutions. This implies that the opportunities for worker participation in these new areas have been extended, and even if these have only a marginal impact on company policy as a whole, they are not necessarily without interest to the workforce itself. Individual committees may pre-date the establishment of personnel functions within the firms, such as production and safety committees and occupational pension schemes. According to Poole (1986:77), production and safety committees are usually made up of management and worker representatives.

Streeck (1994:89) points to the fact that joint consultation differs from co-determination in that all that consultation means is that the two sides sit down together, management informs workers about what they want to do, and then listens to a response.

4.3.8.2 Perceptions on financial participation

It may be asked: would employers accept a profit-sharing policy that will eventually lead to an expropriation of private productive capital? The answer, according to Horvat (1979:74), is negative, since employers will oppose and sabotage the policy as much as they can. But there are alternatives that are worse: labour unrest and/ or government intervention (assuming that the socialist parties control the government).

If worker-managed firms are really more efficient than their capitalist and étatist counterparts, why do they not beat the latter firms in the market? The answer to this question is that a worker-management firm cannot survive in a capitalist environment regardless of its potential efficiency (Horvat, 1979:75).

Marchington (1993:223) is of opinion that "...profit-sharing by itself represents a very diluted form of employee involvement, and it is only when financial participation is associated with mechanisms for creating industrial democracy, that it can represent anything more than an additional form of remunerationment to employees..."

But does gainsharing, or financial participation achieve anything? According to Bussin, *et al.* (1995:23), it breaks down the "we-they" syndrome that separates managers and workers in organizations. Gainsharing also draws workers into teams, fosters participative management and promotes team effort directed at the achievement of common goals. Peer pressure plays an important role since the emphasis falls on incremental improvement: each department or team in the

organization works on incremental improvement in the knowledge that each and every other department and team is doing the same thing.

The researcher asks the question: if it only implies a positive side, does peer pressure not bring problems with it? For while it is not easy to determine who has contributed to an increase in productivity in a small organization, it is nearly impossible in a large organization. All workers and the organization will share any increase in profits. There are always lazy workers who will try to freewheel, especially in large organizations. Once workers realize that some of their colleagues are not contributing as much effort as the rest, conflict may develop. Workers who were initially motivated may decide to revert to old habits.

Bekker (1995:22) identifies a number of reasons why profit sharing is approached with skepticism:

- The workforce is concerned whether profit sharing is a genuine attempt at sharing the fruits of the organization with workers, or whether it is an attempt to control them. The author refers to Marx's writing about profit sharing as "a special way of cheating workers and of deducting a part of the wages in the more precarious form of a profit depending on the state of the business." Profit sharing was often introduced during times of labour strife and was thus seen as a way to co-opt workers and as a way to prevent industrial conflict by reducing the power of trade unions. Some schemes were terminated when workers' share of profits became too large and there were cases in which financial statements were manipulated so that very large profits were paid to capital and not to the workers;
- On the management side, they did not provide an opportunity for labour to participate in decisions that influenced profits, for they feared that doing so would lead to unionization and manipulation of profits;
- Profits could, however, be influenced by factors that bear no relation to workers' effort. Management decisions and strategies, adverse market conditions or an investment that promises long-term profits at the expense of current profits would affect profits negatively and workers would have to share in the reduction of income under profit-sharing;
- The calculation and declaration of profits can lead to conflict, in that management can manipulate profits to the disadvantage of workers. Financial data should therefore be made available to workers under profit-sharing and the workforce would want to be involved in decisions that affect their incomes;
- Workers often dislike profit sharing because they dislike the income variability caused by it. Trade unions fought for stable incomes for the workers during the Industrial Revolution. Workers in high-income brackets might accept the concept of profit sharing, but those on the

shop floor whose earnings are not very high, may not be prepared to settle for income insecurity.

Given the legitimacy of the labour movement in representing black workers in South Africa, processes for both reducing polarization and facilitating a relative balance of power in labour relations require vision and sensitivity. It is therefore understandable why trade unions frequently tend to be wary of (if not opposed to) financial participation. In contrast to developed industrial societies, trade union density in some developing countries is increasing, as in South Africa for instance, with industrial relations policy choices reflecting a strong ideological content.

As in the South African situation, financial participation is associated with practices and strategies that seek to achieve the following:

- seducing workers away from collective forms of indirect or representative participation, towards individual, consensual forms of direct involvement, such as financial participation and quality circles;
- the provision of a personal, economic stakeholding in the organization through financial participation; and
- to de-emphasize the interest-based models of collective bargaining in favour of decentralized joint consultation, problem-solving, strike-free agreements and single union agreements.

Where consultation and joint decision-making is part of the "culture" of labour relations in a firm, it is likely that these processes would be invoked during the introduction of financial participation, and that this is more likely to be the case with stronger trade unions. Through financial participation workers stand to earn more money and they could therefore be motivated to contribute to an increase in the productivity of the firm. Improved productivity and profitability might result in more investment and employment opportunities. The concept of entrepreneurship is also introduced, because workers stand to benefit or lose depending on the profits of their firm.

Unions want a share in increased profits and a bigger share of total revenue to go into the living wage. This means that any organization that introduces quality circles for the prime object of improving productivity will meet union resistance unless they are prepared to allow the increased bottom line profits to wash down into more take home remuneration for job security. Thus organizations will find it difficult to justify increased profitability brought about by more effective utilization of worker brainpower without a reciprocal mechanism for sharing these profits. Many may argue that it is morally indefensible for companies to "use" worker brainpower to get more profit without compensating the workers more. This issue must be addressed if one wishes to succeed in

gaining union co-operation (Huss *et al.* 1987:11). The arguments in favour of profit sharing and employee share ownership are that they:

- Increase individual identification with, and commitment to, organizational success;
- Increase co-operation within the organization;
- Make workers more conscious of business needs and the value of profit to the organization;
- Ensure workers benefit from organizational profitability;
- Help to attract and retain key staff due to extra financial inducements (Marchington, 1993:223).

Arguments against profit-sharing:

- There is no clear and identifiable link between effort and reward - there may be high bonuses in a year when individual workers have worked less hard, or individual workers find that no matter how hard they have worked, it is not reflected in the amount of profits which come their way; and
- Profit sharing brings out insecurity with the individual worker - if the organization runs into financial difficulties, he risks losing his job.

"Union concerns about economic participation tend to be associated with: (a) the absence of political participation for the majority of workers, (b) the fundamental demand for a living wage, (c) a belief in the irreconcilability of certain interests and (d) an associated fear of co-optation arising from a loss of independence and potential fragmentation of the mechanisms aimed at entrenching capitalism" (Horwitz, 1988:7-8).

After a conversation with Mr. L.P. de Villiers (1999), the researcher came to the conclusion that private owners, especially those of small and medium organizations, are not willing to allow financial participation for workers, which refers to the collectivism of white managers (see paragraph 5.6.2.1).

De Villiers (1999) stated that he would only give workers financial participation if they were prepared to put their money on the table. In other words, to buy some shares and in such a way become a co-owner. But the problem is that the black worker usually does not have money. Here the state can provide through legislation that management must help workers to buy some shares as in the case of Samancor.

4.3.9 Co-operation

Co-operation gives the worker the ability to make decisions with management. Decisions will be jointly taken on all matters of work-related issues or interest related issues. The researcher is of opinion that through this process, unions, workers and management are placed in a position where they determine the policy of the organization. The right of co-decision relates to specific matters, generally affecting personnel policy or welfare. The decision has to be a joint one, and this condition sometimes amounts to a power of veto. In practice such a procedure frequently gives rise to negotiation, bargaining or even a compromise in the form of an agreement, as for instance collective agreement (Anon., 1981:22).

Poole (1986:101) distinguishes between the following producer co-operatives, namely:

- Pure debt type co-operatives where property rights and products are vested in the funds of the members or providers of labour;
- Equity type co-operatives, for example involving equality capital; and
- Capital labour partnerships.

4.3.10 Worker directors/ membership on management boards

The concept of worker directors has its origins in West Germany's system of co-determination.
Worker participation may take place at various levels in an undertaking, with varying outcomes in terms of power relationships and actual opportunity to influence decision-making. However, employee representation on a board of directors has an added symbolic significance. It enhances the status and prestige of the workers. The presence of employee representatives on the board serves as a constant reminder to management that worker interests are to be taken into account along with those of shareholders (Anon., 1981:23).

Under some systems the workers are represented on management bodies such as the board of directors or the supervisory board of a Joint Stock Company or a nationalized undertaking. This sort of participation amounts to co-management, since the power of such bodies extends to all problems raised by an industrial operation, although the degree or even the character of the co-management varies according to the level at which it takes place (supervisory boards, board of directors or other management body) and it varies depending on whether the worker representatives are the minority or not. The value of worker directors can be seen as a means of establishing a coalition between workers and management that will lead to:

- Conflict reduction;
- Raised employee awareness of business problems;
- Improved levels of organizational commitment;
- Lessened resistance to managerial decisions; and
- Improved decision-making (Anstey, 1990:13).

Unions on the other hand see worker directors as equivocal in their views, diluting the challenge role and power of the trade union, or taking every opportunity to establish joint control at all levels in organizations, and that board participation offers opportunities to influence key decisions affecting workers' lives (Salamon, 1987:44).

The debate that exists is whether worker participation implies involvement in the management of an organization or in decision-making for the organization. A solution to the above mentioned debate is the two-tier system of Germany (paragraph 4.3.3.10), that implies that worker directors are involved at supervisory board level in the long term policy issues of an organization, rather than in the more immediate (and contentious) area of immediate strategies and decisions at board director level. Opponents to this approach propose that it negates the purpose of worker participation if elected directors are not involved in operational issues.

Boards meet relatively infrequently, are reliant on information and proposals from senior management and usually occupy an endorsement role rather than a direct management role (Salamon, 1987:44).

Management is generally opposed to the principle of worker representation, especially through trade unions, on the board. The trade union movement is ambivalent about worker directors, although certain unions are hostile to the concept due to fears of incorporation, role conflict and a reduced ability to resist management actions. Worker directors has experienced difficulty in coming to terms with boardroom norms and customs (Marchington,1993:221).

Worker representation on boards of management, therefore, is unlikely to lead to worker interests being powerfully put forward at board level. The individual worker directors are more likely to obtain an organizational perspective on what is in the interests of the organization. Of course, the more worker directors there are, the more likely it will be to redefine the interests of the organization (O'Regan, 1990:128).

Even if worker directors do not redefine the interests of the organization to favour worker interests, it is possible that they could play a role in furthering collective bargaining. Worker directors may gain access to information the union would otherwise be prevented from obtaining. It is an important

recognition that collective bargaining - as it is presently structured in South Africa - has shortcomings, and that some of those shortcomings may be met by appointing worker directors. In addition, worker directors at least have an opportunity to raise worker arguments against long-term decisions made by directors, which would otherwise be beyond the scope of bargaining. This may assist unions to prepare campaigns against such decisions.

According to Anon. (1981:23), a system called "party co-determination" exists where there can be as many representatives of the workers as there are of the shareholders. In Germany worker representatives are mostly appointed by the trade union and they occupy half the seats on the supervisory boards. The remaining seats belong to the shareholders, with an independent chairman who is elected by all the members jointly. Equality of representation on supervisory boards is the rule under an Act of 1976.

4.3.11 Self-management: worker control and ownership

Self-management is practised where workers have the competency to make rulings on their own. The worker committee has the ability to advise management on certain issues, providing that the committee has the necessary information available.

Baumgartner *et al.* (1979:82) claim that self-management organizations with a maximum degree of egalitarian relations are an emergent form of production or work organization and will replace the hierarchical corporate forms now dominant. Some arguments to support this statement are as follows:

- Rationality argument: self-management organizations will provide for maximum development and utilization of human resources and creative potentialities available in a work force, if conscientiousness, responsibility towards work and social ownership are being fostered;
- Legitimization argument: more effective decision-making, planning and implementation are being made possible since organizational structures, processes and planning in self-management organizations are legitimized through their greater consistency with democratic norms and ideology; and
- Development argument: workers have opportunities to acquire competence and confidence which are likely to be carried over into other spheres of social action, e.g. political activities. Political experience, for instance, will in turn reinforce participation and competent performance within enterprises.

Rus (1979:224) makes a distinction within the concept of self-management that can either imply:

- Self-management is a meta-class system setting up work as the dominant and universal value. Work is established as the criterion of the distribution of income and as a base of emancipation of working individuals, regardless of the job they execute; or
- Self-management is not a universalistic meta-class system, but a particularistic and class oriented system. Work is not established as the supreme value in society, but primarily as the domination of those strata or groups that are the carriers of the long-term interests of the working class.

Anon. (1981:49) claims that self-management is undoubtedly the most far-reaching attempt at direct involvement of workers in decision-making and management responsibilities, and defines self-management as the management of the organization by its workforce. He further identifies the following main features of self-management systems:

- Self-management is based on general legislation that is applicable to undertakings in the public sector in which management- (but not ownership-) rights have been transferred to the workers;
- The right of participation is granted to the whole workforce, whether manual or non-manual;
- The rights of the workforce are exercised through an elected body, known as a "worker council";
- Competence of self-management bodies extends to all decisions in the organization; and
- Profits or net income of the organization can be disposed of partially or wholly; certain sums can be reinvested or allocated for social or cultural activities or distributed directly in the shape of bonuses by the self-management body.

Yugoslavia's self-management system is certainly the best known example of self-management. It has been the subject of many studies and publications. After a period of highly centralized economic direction and planning, with a series of nationalisations and an effort to achieve reconstruction and industrialization, self-management was introduced throughout the country by legislation in 1950.

According to Vanek (1979:373), self-management needs its own genuine environment, explicit recognition of interdependence, and a broad understanding by the whole society in which it is to be implanted. Thus isolated self-managed firms or co-operatives of workers in a capitalist environment are mostly unlikely to spread and eventually transform the whole economy. Self-management, to be successful, needs:

- Co-operation among many organizations;
- Economic planning;
- To be specifically and organically related to self-management; and
- Some forms of national ownership and national control over capital formation.

It is being claimed that without political will for a self-managed economy or at least a political openness which makes it possible to learn about the advantages of self-management, there will be no movement in the direction of self-management. Some believe that the full benefits of worker controlled organizations can only be achieved when an entire society rejects capitalism, while others propose that they might be developed in an evolutionary manner. Others perceived that worker controlled organizations have a clear place in a mixed economy and are identified as one of the major sectors in the economy for South Africa in the ANC's constitutional guidelines (Anstey, 1990:15).

Although the Yugoslavian system has exemplified the values of worker self-management, it must be remembered that it comes from a base of social or state ownership in a single party system. Relocation of such a system in South Africa is thus unlikely. It also appears that a revision is on the way in Yugoslavia whereby not only control, but ownership too, will be returned to the private sector in a "democratic revolution".

Vanek (1979:372-373) claims that a decentralized self-managed economy produces from given resources the maximum output, and guarantees the greatest satisfaction and fulfillment to the worker, with minimum alienation. Income distribution tends to be equitable in comparison to being determined by market forces such as in capitalist economies.
Anstey (1990:16) identifies the following negatives and positives of a worker controlled organization in a socially controlled or market economy as follows:

- In socialist societies it contributes to economic stagnation and misallocation of resources as public funds are used to subsidise non-economically viable operations;
- Control without ownership causes a rise in wages instead of appropriate investment;
- In market economies, worker controlled organizations tend to be under-financed;
- Problems are experienced in attracting competent managerial expertise;
- Worker controlled organizations limit investment opportunities for worker owners who must plough back their savings into an operation which may not provide them with the best returns;
- A wide variety of market, ownership, and employee commitments as well as job preservation and creation questions might be addressed through the development of worker controlled organization in the South African context;

- Worker controlled organizations may prove to be a useful vehicle for bridging gaps between collectively oriented groups anxious to participate in the economy and current owners of capital that are anxious to see the survival of a market system; and
- They offer opportunities to extend ownership and control of the means of production and access to capital in a business.

Education, as noted earlier (paragraph 3.13.), plays an important role in the effective implementation of participation. But it is education and learning which the student forgets sooner or later, either because he never works with it or because he is not interested in it. Education is sometimes wasteful simply because it is untrue, or because it does not contribute to the burning problems of economic advancement and development. Because education is such a laborious and socially costly process, it is imperative to purify it.

Education through self-management in the place of work is most certainly the best method. Bringing the factory close to the school and the school to the factory (and in most cases merging them together in a self-managed enterprise) is the best guarantee:

- that priority will be given to things that are needed and relevant; and
- that the process will be based on a co-operative dialogue and learning by doing.

Democratic self-management organizations:

- combine education and the productive process much more effectively than other systems;
- may internalize many benefits of education which in other systems and especially in profit-maximizing systems remain external and thus obstruct the education process;
- usually experience far greater stability of employment than profit-maximizing organizations; and
- may provide the best and most objective source of information regarding the kind of educational programs that are needed and desired in each particular area or industry (Vanek, 1979:375-377).

4.3.12 Co-operatives

Jaffee (1989:193) says a co-operative can be defined as "... an organization which is collectively and democratically controlled by those who work in it." Members of the co-operative who are also the workers of the co-operative contribute both their labour and (not always) a sum of money. This is done on a voluntary basis with open membership. The management and control of the organization

is organized on a democratic basis in which members have equal voting rights. There is proportional sharing of benefits that accrue from trading activities and limited interest on share capital.

Besides control (and sometimes ownership) of the organization that is vested in the workers, co-operatives may also make provision for social goals. It is concerned with good working relations between its members, membership education and responsibility to the community at large. It is thus more than a means of creating or saving jobs. It is an instrument for both economic and social progress. According to the researcher, co-operatives are implicitly critical power structures in broader society, where fundamental transition to a different economic order is possible, for they are strongly identified with political and social movements for change.

According to O'Regan (1990:125), there is a growing interest in co-operatives in South Africa. This is partly due to the fact that workers choose to join the co-operative fully understanding its operation, and accordingly commitment and morale are fairly high. There is an ongoing debate on the consequences of different forms of ownership of co-operatives and this debate has become more complex with the development of the Employee share ownership schemes.

4.3.12.1 Perspectives on co-operatives

Co-operatives are seen to play a vital role in providing an alternative set of symbols and practices for workers' control and democracy which is of benefit to all working class organizations. They have been successful in organizing groups of people who have either been marginalised by the economic system or are in positions of economic inferiority, such as women, the disabled and the elderly. In this respect co-operatives broaden the base of the working class outside a unionised sector.

Co-operatives are regarded as an "African way" of doing business and promoting entrepreneurship, which is not a threat to the present economic order. Western styles of entrepreneurship are not so appropriate for South Africa, according to the researcher, because of the ethic of "communalism" which exists within the black community. Although communalism is not inconsistent with the free organization, it may bring some aspects of socialism.

A great cultural division exists between black and white entrepreneurial attitudes toward the organization. Whites tend to be individualistic, aggressively competitive, goal driven and reward-orientated. Blacks on the other hand tend to be more co-operative and collectively driven. Legal restriction on black business development in the past had contributed to the efforts of black business groups to seek other avenues for entrepreneurial activity in the form of consumer and service co-operatives. To develop their own economic organizations and institutions, they do not only ensure

participation, but also prevent exploitation "If a shop or business exploits us by charging high prices, why do we not start our own shop?" (Jaffee, 1989:201).

There are two assumptions underlying union-linked co-operatives, namely:

- To maintain the unity of the working class when social and economic divisions are emerging between the employed and unemployed; and
- It gives workers and trade unions some experience in workers' control and democracy, supports them on the shopfloor and strengthens unions in the community.

In short the assumption can be made that co-operatives allow workers to develop appropriate skills in self-management and extend workers' control. According to Jaffee (1989:207), the following problems are faced by union-linked co-operatives:

- Co-operatives are forced to measure viability in terms of market competition and not in terms of social utility;
- They are set up within a highly developed capitalist economy and must therefore find a viable gap in the market as not to remain marginal enterprises;
- Co-operatives are traditionally undercapitalised and thus lack access to start-up finance. Money given to developmental projects sometimes does not require financial accountability and this can affect attitudes towards financial control;
- Apartheid retarded the development of black business skills. Appropriate training for co-operative managers should thus be sought. Re-packaging of capitalist management techniques for the use of co-operatives is in the long run inappropriate for co-operative development, for it reflects a hierarchical and authoritarian world;
- Unions are forced to hire their own consultants who are trained in conventional business management, or unions are forced to encourage personnel and co-operative development agencies from outside the country to assist with these developments, because there is limited access to local support from organizations that are linked to national support organizations. Limited funds place a ceiling on the ability of unions to hire appropriate professionals or organizations;
- Democracy requires education in decision-making skills, debating and analytical skills as well as skills which enable each member to understand the entire process of production. Where there is a lack of education in the philosophical side of co-operative development, co-operatives tend to degenerate into capitalist organizations;
- Tremendous pressure to get started from below, results in projects sometimes being implemented without proper feasibility studies or business plans;

- Lack of efficient and sufficient welfare exacerbates this problem, and they are destined to be temporary alternatives which either fail or collapse when members find other job options;
- Members of co-operatives tend to develop a dependency relationship with the union and do not assist with the long-term aims of the co-operative's development - co-operatives should became financially and managerially independent and self-sufficient and therefore the union and the co-operatives should rather be mutual partners in the struggle to establish industrial democracy;
- Problems on decisions about wage levels can occur when the union requires that there must be some consistency between wages demanded in the sector and wages paid in the co-operatives; division can result between the co-operative members and the union, since the union is in a position to control the internal structure; and
- Only a limited number of chosen people can be incorporated into the project, and this could lead to divisions among the unemployed.

4.4 SUMMARY

A wide variety of participative schemes have been discussed and it is clear that there is not a single one without some flaws. But it is also clear that they have brought some workplace changes for the better.

If workplace reform fails to move beyond the bounds of representative democracy, the full potential of worker involvement may not be realised. Workplace participation is to become a vehicle for competitiveness and industrial democracy. Worker control is neither a utopia nor simply a management trick. Participation as practiced in Western Europe did not undermine capitalism. Instead, European capitalism has been increasingly drawn towards the co-determination model and other forms of worker participation. But participation remains predominantly a part of the ideology of the left.

Angus (Anon., 1995(a):12) warns against trying to graft any "foreign" systems or ideas onto local situations, whether they be German, Japanese or Swedish, even when they have been proven to be highly successful in their home countries.

The German systems reflect a holistic approach in which the rights of all parties are enshrined, and the pluralist tension is reflected in a careful separation of adversarial and co-operative functions and powers across a multi-tiered labour-management relationship. South Africa's system leaves the co-operative aspect subordinated to the adversarial. Beyond this, there are indications that the German

system itself is under some revision for failing to address the key issue of direct worker participation at workstation level. Its focus has been on legitimising and checking managerial decision-making at higher levels of the enterprise rather than direct empowerment or involvement of workers at workstation levels.

The Swedish socio-technical teams on the other hand, reflect not only workplace focussed practices, but also deal with issues of control in places of work and are formed in the context of much wider organizational restructuring an power redistribution.

The classical aims of worker participation can be summarised as follows:

- Humanization of work and of social relations in the workplace;
- Democratisation of decision-making;
- Productivity and efficiency improvement;
- Economic equity in relation to income and jobs; and
- Solidarity or inclusion of all workers in participation structures and processes.

The degree to which management and the workforce will engage in participation varies from task-centered participation (i.e. briefing groups and quality circles) to power-centered participation, mainly in the form of collective bargaining. Fuller forms of participation are structures such as autonomous workgroups, self-directed work teams, etc. (which are techniques to deal with new forms of work organization, productivity and competitiveness).

According to Deale (1995:20), a differentiation exists between "on-line participation" and "off-line participation". The former involves participation such as quality circles where the focus falls on worker empowerment in order to improve productivity. The latter occurs on a higher level of the organization, such as workplace forums, that focus on the promotion of democratic practices in the workplace.

Collective bargaining, however effective at some levels, does not challenge (but probably strengthens) traditional structures of authority within business organizations. In addition, as it has developed in South Africa, it has distinct shortcomings. In capitalist economies in the west, systems of worker participation in decision-making have only been successful when they were introduced in an environment where there was a strong trade union movement and/ or shareholders. Nevertheless, trade unions in these countries have come to regard participation on organization boards and at management level within the plant to be beneficial to worker interests, even if it does not fundamentally alter social relationships in industries. Perhaps the reason for this support is that worker participation is able to address some of the shortcomings of collective bargaining.

The researcher has concluded the following: at plant level, participation structures should focus on the individual's power to affect his/ her own working conditions to make a contribution to the plant; participation should run through the union and be set up in consultation with them. A weakening of the workforce may result if there is suspicion of "incorporation" for the structural division that exists between the unions and the worker representatives in each plant. The decisions that the groups make should have immediate and practical effect - they should be given a free reign over issues that affect them directly in their geographical or production areas. There should be an efficient line of communication to management on the more important issues, preferably through the shop stewards, in order to ensure that the group's decisions are responded to seriously and relatively quickly. The team does not completely take discipline out of the hands of management but play an essential role. Peer pressure is important while teams de-emphasize the role of automatic supervisors and emphasize the "joint control" notion.

The success of the entire process (of achieving international cost and quality competitiveness and empowering the workforce) is as Joffe (1995:15) stated: "...dependent on the realisation that democracy slows decision-making but yields better decisions that are subject to less resistance, that participation requires resources, both financial and educational and that joint decision-making curtails managerial prerogatives and imposes obligations and responsibilities on the workforce and the union."

Initially in the South African situation, benefits were obtained from involving workers in participating in joint problem-solving processes, and certainly this approach should be continued as it is in line with the collectivist values of black workers. However, the initial trade-off with regard to union influence seems to be waning. Initial benefits from recognition of the potential contribution to be made by the workforce in an organization by providing forums for participation appear to be declining as worker skepticism of management's intention increases.

The initial success of these approaches can be attributed to the fact that, until fairly recently, the South African industrial situation afforded no forums for worker participation in joint problem solving. Simply asking workers what they think comprised a massive change in South African management practice. Now, however, workers are becoming increasingly concerned about material rewards in addition to straightforward recognition, and they are increasingly turning to the unions to ensure that they obtain them (Coldwell,1992:69).

Movement towards participative endeavour will demand a deepening of trust, a willingness to enter processes with uncertain outcomes, a revision of traditional bargain approaches, and the confidence that constituencies will see the changes through at grassroots levels in enterprises.

The right of the workforce to participate in decisions at organizational level (what has been called power-centered democracy) must be balanced by the responsibility of the workforce to participate in production related issues at the individual plants. To facilitate flexibility and a decentralised competence, management's right to manage must be balanced by the devolution of authority and the decentralisation of decision-making to the shop floor. This responsibility includes information disclosure on a continuous basis, the provision of training to the entire workforce, as well as the willingness to allow for the meaningful participation of the union in decision-making at the executive level on both strategic and operational issues.

Moloto (Anon., 1995(a):2) states that the relationship between management and the workforce must "...essentially include more openness on its part: the freedom to look into company records, etc. Both had to look beyond emotional, adversarial collective bargaining issues to the whole relationship: where the organization and the union each wanted to go and what the workers' concerns were - getting into one another's boots..."

Roussos (Anon., 1995(a):5) warns employers against the danger of rushing in without a strong foundation of participative structures in place. He warns against taking short cuts and going ahead before the whole workforce, union leaders and management are on board.

James & Horwitz (1992:29) conclude: "Nevertheless managers are not experts on every matter affecting the company, especially at the job/ task level. The use of a worker's specific knowledge of the equipment and job, combined with the broader knowledge of a manager, is a powerful and effective decision-making tool."

It has also been clear that trade unions are not attracted to the idea of co-operative endeavours with employers whom they perceive to be architects of oppressive laws, or allies in their use.
Employers, on the other hand, are not excited over calls to move outside the framework of the law or share decision-making with trade unions:

- who are unable or unwilling to abide by agreed procedures,
- whose members are involved in acts of intimidation and violence,
- who advocate measures likely to damage company viability and
- who promise a future of blanket worker control.

The question remains whether labour and management in this country can or want to move beyond the wider civil conflict in a joint nation building endeavour. Although co-operatives face enormous difficulties and barriers in realising their short-term success, these recent initiatives begin to place worker co-operatives on the future political and economic agenda.

Unions and management are facing the challenge of changing an old set of structures and guidelines. Lloyd (Anon., 1995(a):13) states the following: "There's a lot of good will about what the issue is, out there, and its developing quite well. It's just not researched from either side, or from government. There's no assistance as to what the big picture is - where are we actually going? Are we going to be a little Germany, or a little Taiwan, or what? Or are we going to be a little South Africa? That's the picture that's not there, and the players in the middle ranks just don't know what it is."

CHAPTER 5

WORKPLACE DEMOCRACY: A FORM OF SOCIAL CHANGE

5.1 INTRODUCTION

Workplace democracy means many things to many people. In the South African context, workplace democracy parallels political democracy. As mentioned in the previous chapter, the workforce may serve as a conveyor belt for political ideologies that will find their place in the organization.

The current changes in the South African political sphere has brought changes to the workplace as well, resulting in greater equality among workers and between workers and management (see the equilibrium theory paragraph 2.4.1). It is thus important to look at the role that politics plays in the workplace - how it affects workers and unions in their perceptions of management's role and the implementation of employee participation.

However, do unions and employers really want industrial democracy? Some perceptions of unions and managers have been mentioned in the previous chapter. In this chapter the researcher will investigate the reaction of unions and management to the social change that is being brought about by worker participation schemes, as well as how to manage these changes effectively.

One important cornerstone of effective adaptation to workplace change, is education and training. The researcher will thus investigate the need for and effect of empowerment on the worker and workplace.

5.2 WORKPLACE DEMOCRACY

Political democracy is interpreted as encompassing, in its basic form, the principles of equal rights and government for the people by the people. This concept of democracy is transferred to the industrial situation that encompasses equal rights for all involved in the industrial process.

The term "workplace democracy" is thus synonymous with workplace equality. In this regard, Horwitz (1988:11) mentions that gross power imbalances and fundamental inequalities in the wider society and an associated polarization of attitudes mitigate the feasibility of power sharing within

organizations. The debate on industrial democracy and participation and its prospects in South Africa, however, is in its infancy.

"An organization is not a unitary but a pluralist-system, containing many related but separate interests and objectives which must be maintained in some kind of equilibrium." (Jain, 1980:15).

Practices towards equality usually lead to a majority-ruled government, which in itself is not necessarily democratic. Since workers constitute a majority (by head count) in the workplace, this would entail government of workers by workers. Democracy in this form is only practised where co-operatives of workers or worker-managers control the organization, such as in the case of Yugoslavia. (See paragraph 4.3.11). (Bendix, 1993:129).

Horwitz (1988:12) argues that the apparent move towards power-balance in the pluralist framework is an illusion. This illusion masks employer endeavours to incorporate workers into managerial decision-making, thereby strengthening managerial control.

The introduction of workplace democracy would entail a significant shift in socio-political and economic ideology. The principle of private ownership is still being strongly supported. Added to this is the belief that the success of organizations depends on professional management. The argument also exists that the principles of political democracy cannot be directly transferred to economic or industrial activity. The traditional hierarchical model assumes that management alone is responsible for planning, organization and controlling work and that worker responsibilities are restricted to the performance of specified tasks. Management sees that all parties work together as a team for the common good of the organization. This viewpoint ignores the existence of conflicts of interest among members of the organization and the fact that workers and their representatives have needs and objectives of their own, which may not be compatible with those of management.

Buhlungu (1992:750) claims that until recently it has been taken for granted that transformation meant the destruction of the capitalist system and the establishment of a socialist system. Democracy is only possible under this system. Capitalism is full of internal contradictions, which would eventually lead to its overthrow through revolutionary struggle or class conflict. In the workplace this would lead to the takeover and running of organizations by workers through democratically elected committees.

Poole (1986:132) points at three main principles of organizational democracy:

- Unions must be independent of both state and management - if unions became part of management or their activities were shackled by governmental decision, then trade unions would not operate as an effective opposition;
- Only trade unions can represent the interests of industrial workers; and
- The ownership of the organization is irrelevant to "good" organizational relations.

However, democratic forms of a socio-economic partnership could reflect an illusive democracy resulting from three forms of co-optation. Co-optation is a form of group domination. In spite of incorporation of workers and/ or their representatives in decision-making processes, they are unable to advance their own preferences if the process is management-controlled. A distinction should be made between participation, which focuses on the co-optation of employees (and is actually just a pretense) and real participation. According to Calitz (1996:101), real participation can only function if participants on lower levels of the undertaking have enough power to influence a decision.

Gamson (1968:135) describe co-optation as a strategy to create an illusion among employees that they can actually contribute to decision-making, while the real influence is still obtained by individuals in the organization.

Calitz (1996:101) makes the following assumptions regarding co-optation:

- If employees are involved in decision-making, it does not necessarily mean involvement with the implementation of alternatives. Management can have expert power that has been obtained by additional information for the implementation of alternatives.
- The accountability for decision-making is being dispersed among the participants and it becomes all the more difficult for individuals who have an interest in the decision to influence the decision-makers, because there is no certainty about who is really accountable for the decision that has been made.
- Co-optation can distract attention from the initial focus. For instance, someone who complains about low salaries is co-opted into decision-making over salaries. In such a way, the attention is taken away from the initial problem and more focus is placed on the organization's goals. The result is that the initial problem is suppressed by participation.

The question can be asked if legislation has the ability to protect workers from practices, approaches or schemes that could lead to co-optation by management? As mentioned in the previous chapter,

although the new Labour Legislation has made provision for workplace forums, the fear still exists among workers that it is a disguised method of co-optation.

5.3 LEGISLATION ON WORKPLACE PARTICIPATION

The researcher now attempts to answer the question whether legislation is necessary for workplace participation in order to change and move forward. The following three realities should be taken into consideration when answering the above question:

- An adversarial system that is based on the union as an opposition (comprised of a shop steward committee, the plant agreement and collective bargaining) is central to the Industrial Relations system and does not include the concept of employee participation;
- Old liaison committees that were introduced previously led to suspicion, with the result that the question of workplace representation was never resolved; and
- Shop steward committees are in reality not able to consolidate the process of change. (Anon., 1995b:10).

It has become clear that legislation regarding the workplace is needed in order to protect workers substantively, to support negotiations and to bring about conflict resolution in the employment relationships when interests differ. Legislation also encourages effective pursuit of joint gains where the potential of joint co-operation exists.

Kochan (1994:689) mentions that a labour policy in any democratic society must establish a framework in which labour and management can build strong and effective collective bargaining relationships. This policy should go beyond contractual negotiations and encourage worker participation (individually and in small groups) in decision-making processes and problem solving. This will improve the working environment and organizational effectiveness.

The Act has put on the table the idea of a second channel of representation, namely the workplace forum (paragraph 4.3.3). According to Webster (1995:10), the workplace forum is like a parliament and all employees become party to it. Where the unions represent "special " interests, the workplace forum builds up the general interest of employees and should promote union interests in the process.

The Labour Relations Act is designed to compel employees to co-operate in a pro-decision-making way that has probably become a necessity. Today survival and a sink-or-swim approach have

become essential concepts in South Africa. A way must be found to look at longer-term interests and this can only be done in a forum separate from collective bargaining.

A framework is necessary to compel employers to co-operate by providing workers with statutory rights to decision-making. Some workers reject the notion that unions should have the power to trigger the initiative, but they must understand the historical suspicion that unions have of in-plant bargaining supplanting the union. Legislation is also needed for workers to be empowered, to negotiate and consult over long term strategic issues, so that they will be able to participate in decisions that affect their work and economic future.

The establishment of contractual or legal schemes of participation in themselves, or the mere presence of employees and/ or their representatives on joint committees or management boards does not guarantee that participative schemes will be fully effective (Jain, 1980:18). Where employee participation is not legalised, it is defenseless, according to Kester (1991:58). Worker participation is legalized or formalized mostly in the public sector, which is shrinking or being reformed into joint ventures.

5.4 INDUSTRIAL RELATIONS

Employee participation in each country must be seen within the context of its industrial relations system. The parties involved operate in a given environment. The environmental forces (political, socio-economic, legal, and so forth) condition the goals, values, and powers of the actors in each country. Each actor (management, worker, union and state) has its particular set of goals and values. The roles these actors play in a given environment are usually consistent with their respective ideologies, goals and values. The ideology of each actor has a profound influence on his/ her social behaviour and, in consequence, on the actual operation of the participative schemes in an enterprise.

5.4.1 Workers ideology

Workers evaluate participation schemes in terms of "What do I get out of it?" If workers do not see this personal pay-off in a participative scheme, it is likely that participation will be perceived as a manipulation instrument in the hands of management or even unions (Jain:1980:8).

Kester (1991:78) is also of opinion that workers do not lose their interest in participation even if such schemes seem limited, for they value participation as something that gives them access to influence.

Some see it as a means to achieve a better distribution of income and employment. Others value it for improving relations between management and workers.

Most workers wish to participate in decisions that are likely to affect their interests, especially their own working environment and conditions of employment. This will depend on how much power to influence decisions they believe they possess. In Algeria for instance, worker participation and self-management were introduced with the expectation that such systems would create democratic practices and institutions in the overall process of socio-economic development. This ideology aimed at rapid change towards self-reliance and self-determination, and as such participation and self-management became part of broader, overall strategies for change and development of a new socio-economic order, quite socialistic in character (Kester, 1991:56).

Political ideologies influence workers' perceptions on workplace issues. This has been evident in workplace relations in South Africa. Nevertheless, Sefele (1998:95) says: "I feel strongly that, at the workplace, we are workers first. When you bring politics into the union, issues cease to be worker issues. They become political issues and are potential sources of division. I'm not implying that workers should keep out of politics. Politics is the prerogative of individuals. It should be kept out of the workplace."

According to the researcher, however, it is impossible to separate politics from workplace issues and workplace issues from politics. As long as there is a majority of under-privileged and poor people in a country like South Africa with its pluralistic character, it will be impossible.

5.4.2 Union ideology and structure

The researcher is of opinion that it is difficult to generalize about the attitudes of the trade union movement toward employee participation in management. Differences in the organizational structure, ideological orientation and elimination of industrial relations in various countries influence the unions' outlook on participative schemes. Like organizations, unions have become big bureaucracies. In stead of being monolithic, they are a coalition of diverse groups of people. A union is also a political organization. Union leaders perceive their role to be directing various political alliances and settling jurisdictional disputes.

"Where two or more unions with different ideological orientations and conferral affiliations claim to represent the same groups of workers, it would be even more difficult to develop a system of participative process acceptable to all unions." (Jain, 1980:11).

5.4.3 Management ideology

Management ideology in a market economy is to seek the financial and organizational well being of the organization. Management perceives its role to be negotiators of acceptable working arrangements between various stakeholders. They attach great importance to the growth of the organization, which brings them increased power, status and financial rewards.

The objection against the sharing of authority with employees or their representatives is based on the fear that workers' and/ or their unions' (a) lack of technical knowledge and expertise, and (b) limited perspective might jeopardise the viability of the organization (Jain, 1980:11-12). Therefore, management normally insists that employee participation in management be legitimate only to the extent that is required by legislation. Management's decision to implement employee participation can either be motivated by moral and socio-political changes, or by the need to increase productivity and transform the organization into a "world-class organization" (Ntshangase & Solomons, 1993:32).

According to Visser *et al.* (1997:43), the assumption can be made that participative management is seen as a particular management or leadership style. They consequently ask whether intra-individual factors will have an influence on managers' willingness to involve subordinates in decision-making. The following can thus be inferred:

- The degree to which management is convinced that participative management can improve organizational effectiveness, will probably influence management willingness;
- Where management expects that participative management techniques will bring forth the loss of management prerogatives and power, they will be less inclined to use such techniques; and
- Willingness to adopt participative management is influenced by the current prevailing organizational culture. This refers to the degree to which participative management practices are being motivated or discouraged by the organization. Managers working in an organization where participative management is commonly used, will be more open towards motivation of subordinates participating in decision-making. It thus seems that a favourable humanistic view goes hand in hand with a participative management style. Management might be forced to change by legislation, but will it change their fears that they will lose control through worker participation?

5.4.4 Government ideology

The Government's objectives in most market economies seem to be the promotion of co-operation between labour and management, and the minimisation of industrial conflict.

The researcher is of opinion that (as in West Germany) the adoption of co-determination, as well as the resulting legislation in South Africa, has been greatly influenced by the political circumstances. The existence of close ties between the ruling political party and the major trade union federations has had far-reaching consequences in the South African context. In South Africa the relations between union federations and political parties have been so intertwined since the apartheid era, that unions usually resort to political power if there is conflict with management in the workplace. See paragraph 5.5.3.2 on the relation between the ANC government and union federations such as COSATU.

5.5 ORGANIZATIONS AS POLITICAL ARENAS

According to Pfeffer (1978:222), the exchange of power, influence and the object of bargaining are the tremendous powers and energy contained in organizational structures. Since organizations are coalitions and the different participants have varying interests and preferences, it is important to determine whose preferences and interests are to be served by the organization.
Wilson (1987:269) is of opinion that business and politics become intertwined when socio-political circumstances adversely affect the economy - this issue must be addressed. Only the manager - and not the politician - can deal with political issues in the workplace, since only he can negotiate the settlement of such matters with unions or other staff representative bodies.

Pfeffer (1978:234) states as follows: "Real power and participation comes only when the authorities do not control critical organizational contingencies, but such control resides with other positions in the organization."

Rus (1979:240) mentions that the depoliticising in Yugoslavia happened as a result of the belief that, through direct worker participation, the complete emancipation of workers could be reached. The opinion was held that the union was no longer necessary in a developed self-management society and would accordingly disappear together with the Communist Party. However, it was soon realised that management controlled the system of self-management.

The following two questions then arose (Rus, 1979:244):

- How could one liquidate liberalism and yet preserve democracy at the same time?
- How could equal distribution of status and/ or power be established, without establishing some kind of political or statistic domination over the system of self-management?

The answer to this question was that the increased role of the Communist Party and the union had to be accompanied by greater socialisation of these parties. There needed to be a counter-power against management over the self-management system and any symbiosis with the state apparatus had to be avoided. Methods of persuasion had to be developed in stead of coercive methods. A closer collaboration between the political party and the union would strengthen the role of the latter and decrease the apolitical character of it. Individual political viewpoints can be diametrically opposed to the organization's stance in this regard. Worker morale and turnover will be pointers to the successful management of the negotiation process.

5.5.1 The role of management in the new South Africa

Workplaces are changing: management is under pressure to restructure their organization and implement new forms of work organization. A strategic shift in management in the context of a new complexity of business forces is under way. It seemed to the researcher that the tri-partite alliance between the ANC/ SACP/ COSATU gave excessive powers to South Africa's trade unions with negative consequences for the country's economy. The question can thus be asked if management still has any role to play, and if the trade union movement and the ANC are playing the game? This situation can be worsened through employee participation schemes, and management can become just a puppet in the hands of the workforce and the government. (See paragraph 5.5.3.2 on the ANC/ SACP/ COSATU alliance).

This can be seen in situations where union workers burned and destroyed property of Eskom over salary grievances (De Wet, 1998:8) or the passing of the Eskom Amendment Act (Bell, 1998:2). Leon (1999:11) states that this occurred because unions seem to have little understanding of the market forces. There is a need to curb union power in order to protect management against these militant actions.

5.5.2 The role of government in the new South Africa

South Africa has moved from a state corporatist system of government (racial authoritarianism) to a democracy founded in a universal suffrage, and a constitution in which fundamental human rights are protected. The labour movement mobilised, broke through racial exclusivity, developed and reshaped the collective bargaining system and contributed to the introduction of democratic governance in South Africa. The 1995 Labour Relations Act provides a level of empowerment and protection (Anstey, 1991e:185).

At a macro-level, governments are reshaping policy to harness resources in a global economy. Consequently, organized labour faces a new set of challenges. In a scenario in which government and management are making new strategic choices, trade unions cannot simply play out the strategies and positions of the 1980's.

Some dissatisfaction exists around the aspect of collective bargaining in which the Labour Minister can implement a bargain council, if parties cannot agree on some point. This implies that the government is intervening in labour relations, but only in the provision of a framework within which it should function. The feeling is that this action of the Minister is in contradiction to the convention of the ILO, which puts emphasis on voluntarily collective bargaining (Mittner, 1995b:31). Minister Trevor Manuel has been quoted to say: "It would be fundamentally wrong to imagine that government is a passive entity whose policies are based on the lowest common denominator between the different visions of business and labour." (Baard, 1996:34).

Bendix (1996:140) mentions that the government may view itself as an active participant in the labour relationship and may commit itself to social justice and the introduction of compulsory participation at various levels, as it happened in Germany, where the free market has been supplanted by a social market economy. Until now, parties have been left to make their own decisions on the implementation of participative schemes, although certain guidelines or directives are provided by the government.

Leon (1999:11) mentions the following controversial aspects raising concern about the ANC government and its role in workplace democracy:

- The government continues to regulate the labour market, set minimum conditions of employment that leads to an increase in labour costs, and does nothing to protect the interests of small organizations;
- In spite of the ANC GEAR program, they do nothing to protect organizations against the militant actions of unions against management to get what they want; and
- The government pledged commitment to job creation, but postponed the presidential job summit on two occasions;

The government must create a climate conducive to foreign investment - not one where investors are scared off by a regulated labour market, an expensive workforce, low productivity, over-protected strikes, militant actions and omnipotent trade unions.

5.5.3 The role of organized labour in the new South Africa

5.5.3.1 The Union role during "apartheid"

The apartheid system that reigned for a very long time in society as well as in the workplace resulted in the turning of ordinary trade union activists into politicians. The more the state suppressed black trade unionism, the more ordinary black people became attracted to these trade unions, and the more politicised labour relations became. This led to the realisation that crushing unions would not succeed. The Wiehahn Commission implemented a new strategy, attempting to control black trade unionism. Nevertheless, even this strategy did not work. Then followed the legislative entrenchment of collective bargaining that encouraged the growth of registered black trade unions. Unions tended to exploit collective bargaining to its fullest, while the state was deeply concerned about the political agenda of these unions.

Within a short period, South Africa's trade union movement has been transformed from an agent of political mobilisation in a simple "good-guy, bad-guy" scenario to one from which a very sophisticated set of responses is required on many fronts concurrently. A new Labour Relations Act is in place, which empowers trade unions with rights to associate, organize, strike, access information and to be protected from dismissal. The question to be asked is: what purpose do unions serve and are they capable of offering services that the workers need and want?

Trade unions were seen as the social agents for achieving industrial democracy and the means to prevent exploitation and low productivity, or sweatshop economies. Minimum wages and the struggle to reduce wage differentials between different occupational categories were essential objectives (Patel, 1994:3). The apartheid system directed unions to be political mouthpieces or a political medium through which the black people of South Africa had to live out their political aspirations. Mbeki (1992:85) supports this view, saying that the black youth and future intellectual leaders had started the freedom movement through union activities.

It is ironic, according to Patel (1994:25), that trade unions that have campaigned strongly for democracy in South Africa may result in the weakening of organized labour, now that democracy has been attained. A new unionism is emerging that is characterised by some of the new policies and approaches of COSATU, for instance:

- Shifting their focus from exclusive consumption unto investment strategies for the labour market, such as training and multi-skilling of workers;

- Uniting workers in all occupations - a move away from work-process-defined unionism to a product or market geared unionism; and
- Focusing on the changing nature of work not by resisting change, but by seeking opportunity for its members in change (Patel, 1994:4-5).

This new approach is labelled as "strategic unionism". Unions are centrally concerned with the challenge of an economic growth path which results in rising levels of employment and income, and not solely with the imperatives of social equity. NACTU contends that the role of the trade union must first be to advance the interests of its members and working people in general. Secondly, it must serve as a guarantor of the newly attained democracy and ensure its survival. Thirdly, it must serve as the anchor and center of all institutions of civil society that will ensure government accountability. This can only be achieved by the following principles:

- Non-affiliation to political organizations and parties;
- Organizational independence without interference by government in the decision-making within trade unions; and
- Internal democracy, ensuring participation by union members at all structural levels of the union movement (Ngcukana, 1994:78).

In contrast to COSATU, FEDSAL is totally apolitical and therefore not aligned to any political party. They also concentrate solely on bread and butter issues, and issues that infringe on their members' rights and interests. Heymans (1994:81) is of opinion - in contrast to COSATU - that if the union movement in South Africa wants to be an effective interest- or pressure group, unions need to stand together to protect their members' interests and rights. Therefore, FEDSAL believes that it is crucial for union federations to co-operate on a more formal basis.

High unemployment rates will remain a threat to unions. Extreme unemployment reduces the value of disposable income of union members, for such income has to be shared by many; it allows for constant attack on union wage policies and leads to dehumanising effects. This cannot be tolerated from a movement which is founded on solidarity and social justice (Patel, 1994:27).
In the present South African situation, it can rather be expected that COSATU will underwrite greater state intervention and a socialistic policy direction in the economy (Mittner, 1999:45)

5.5.3.2 Alliance with political parties vs. union independence:

Should unions maintain their alliance with the ANC and SACP in the new democratic South Africa? A call for an end to alliance politics is based on the following reasons mentioned by Copelyn (1994:72):

- Alliance with politics will condemn the union movement to be the labour wing of the political parties involved. It means that the union movement will have to explain to the workforce why the government's policy is the way it is;
- The union movement should not be bound to practices of having exclusive meetings with government to iron out policy differences and then expect government to implement laws consistent with the caucused position. The aim of the government is to control the unions secretly; and
- One major difference between the trade union federations is the issue of which political party to "ally" with. However, in a new South Africa a single trade union federation is needed, at least between COSATU, NACTU and FEDSAL.

This will imply that the united federation will have members that support different political organizations. A division will thus be caused if the federation allies with a specific political group. Trade unions will need to secure their independence from government and political parties. When government was undemocratic and often hostile to workers, this was easy. However, a government that enjoys legitimacy among workers (and yet has strong historical links with the union movement), makes independence more complex. According to Patel (1994:25), strong leadership is therefore needed for the assertion of independence.

Today's tri-partite alliance is different from the alliance that existed four or five year ago, and it will be markedly changed over the next five or ten years. As issues, social, economic and political power relationships change, so will the alliance. "The ANC in government is not the same as the liberation movement that had to forge alliances in order to dislodge apartheid and eradicate exploitation and discrimination to usher in a democratic dispensation; COSATU is different from the mass worker movement launched in Durban in 1985; and the SACP is no longer the vanguard movement, with exclusive membership, which it was up until 1990." (Nyaka, 1998:44).

In 1990, Ramaphosa (1990:1) wrote that the role of unions, specifically COSATU, in a new reunited South Africa should be seen in the context of their origin and existence aims. This role cannot be seen in isolation from the political and social changes in South Africa. The so-called victory in politics does not mean that COSATU will leave the political arena.

However, COSATU has changed its role - it has not introduced apolitical unionism. The relationship between the trade union movement and the new democratic government will be where they are jointly involved in a process of democratisation of the whole society, reconstruction at political and socio-economic level, and defending the gains that will have been achieved by having a democratic government in power. But Shilowa (1994:75) warns as follows: "I must warn that despite the

advantages of an alliance with the ANC, it will be very dangerous if such support is given to the ANC or to any democratic government willy-nilly. The trade union movement should not allow itself to become a conveyor belt for any political party. It must remain independent. It must be guided by the wishes and mandate of its own constituency, without playing into the hand of the counter-revolutionaries who may emerge once we have a new government."

According to Ngcukana (1994:77), however, the trade union movement failed to influence the content and direction of liberation movements that it is related to. Instead, the liberation movements influenced the direction and content of the trade union movement through the activists of the liberation movement who worked in the union movement. This affected the independence and integrity of the trade union movement. Once the liberation movement comes into power, the union movement serves to become a transmission belt of government decisions to workers. This serves the interests of capital very well, as capital will have a position of influence on the government by the time the liberation movement comes into power.

One way of avoiding anti-labour policies by government, is to concern themselves not solely with bread and butter issues, but to combine this with heightened political consciousness. Plaut (1991:44) is of opinion that COSATU will not be an outsider in the changes of the political processes. Kruger (1995:138) says that COSATU, through so-called anti-revenue on the "value-added-campaign", has shown that they are determined to be a chief political role-player in the forming of a new South Africa. NEDLAC, however, is not very successful because trade unions regularly choose to ignore bargaining through NEDLAC, and continue pursuing the old tried-and-tested adversarial militant approach, which worked well during the apartheid era.

In this context, Ensor writes (1993:3) that the debate around COSATU's political future is not yet concluded. According to Grange (1993:15), it looks as if a united workers' organization where COSATU will stand at the head, will be established in the near future.

Mittner (1994a:49) states that there are certain factors that will put some pressure on the relationship between the ANC and COSATU. Johnson (1995:21) agrees by writing that the socialistic policy directions of the ANC and the SACP has faded, and this has resulted in supporters of the parties (a great deal of whom are COSATU members) feeling that they are being betrayed.

Heymans (1994:81) says: "Let the politicians address the political issues, while the unions can concentrate on looking after the economic well-being of the workers". It seems that union federations had gotten so involved with political issues during the "apartheid" era that they forgot how to represent their workers efficiently on other aspects of workplace democracy. With the birth of the

new ANC-led government, the state wanted to play an active part in industrial relations, alongside management and the workforce. According to Dumisa (1998:27), the new South African government is trying to implement a version of Sweden's democracy model through NEDLAC, where trade unions take consideration of government's economic policies when formulating their wage demands. In exchange for union support, the government has committed itself to a policy of full employment.

A major example of trade unions' militant approach is their regular criticism of the government's Growth, Economic and Redistribution (GEAR) strategy. Unions has started to question the government's commitment to an egalitarian society, in the light of financial mismanagement, high salaries, excessive allowances and other fringe benefits to the politicians and top bureaucrats (Dumisa, 1998:28).

What makes it worse is that trade unions now realise that most of those who enjoy these benefits, were once the people who used to lambaste the private sector management as "fat cats". There appears to be an intractable dilemma in the nature of the relationship between the COSATU/ SACP/ ANC-alliance. Most of COSATU's leaders are also leaders of the Communist Party and in turn, COSATU and SACP leaders are members of the ANC's national executive committee. In other words, they are leaders at all levels of the alliance. According to Qwelane (1998:78 & 80), the following differences emerge between the COSATU/ SACP/ ANC-alliance:

- The ANC believes in partial privatisation of state-owned assets. On the other hand, COSATU and the SACP is opposed to all privatisation since it could increase unemployment;
- The ANC actively invites foreign investors and industrialists by promising incentives such as tax holidays, and at the same time wants the abolition of trade tariffs. COSATU and the SACP believe that the active stimulation of small organizations is less important to growth and job creation than tighter control of organizations. COSATU wants trade tariffs retained. They would like to see that organizations which restructure themselves by retrenching workers to pay the penalty of forfeiting its tax privileges;
- The ANC wants to redistribute the wealth of the country through a reform program and an agriculture development plan in the redistribution and utilisation of land. On the other hand, COSATU and the SACP want collective bargaining on the farms and huge land redistribution to the masses.
- Tension and controversy surrounds the GEAR-program of the government to broaden economic growth with the more acute need to address existing social inequities which most detrimentally afflict the poor;
- According to their social and welfare policy, COSATU wants free housing, free health care and demands that the wealthy should contribute more to taxes; and

- The government wants workers' job security reduced during the probationary period of the GEAR-program. Wage increases must take inflation and productivity into account and there could be bargaining mechanisms for different jobs in different sectors. COSATU is opposed to this.

When intervening on the political level, political leaders who also emanate from the employed and organized sector of the working class, will necessarily focus on the promotion of the interests of the unemployed and the employed but non-unionised. "Regardless of this, some of these union leaders have never been able to find a home within the political organizations of the national democratic movement. Effectively, they have therefore treated the trade union movement as an alternative political formation through which they would pursue both their trade union and political aspirations." (Mandela, 1998:22).

The government has made it clear to COSATU that its role in the alliance is that of a junior partner. Recently, however, it looked as if government leaders were unwilling to defend the GEAR-program openly, so that managers became restless in that they felt the government would compromise towards COSATU's feelings (Mittner, 1998:14). There is no clear evidence, however, that there is any danger that the ANC/ COSATU/ SACP alliance is going to split. If a great measure of poverty remains a factor in South Africa, this alliance will play an influential position on the South African political stage.

Rademeyer (1993:3) reports that when unions can become affiliations of political parties, the balance can be achieved between freedom of political choice and association on the one side, and on the other the implementing of financial resources that have been received from agreements to support political parties.

According to Kruger (1995:49), this implies that the union movement in South Africa will have to make a choice between its role as a worker party or a union. The aim of the worker party differs from that of a union in that a worker party is primarily involved with the interest of the worker, where a union has to answer to the immediate desires of the worker such as higher wages and salaries, work security, etc. Clearly, the SACP on its own will not make a suggestion to break loose from the alliance, because it would then lose its power. During the armed struggle against minority rule, the SACP occupied a critically important position in the alliance. But the SACP's powerful position ended with the collapse of communism in the former Soviet Union and Eastern Europe, the negotiated settlement in South Africa and the ANC's advent to power in 1994 .

COSATU has the choice of leaving the alliance in order to represent workers more effectively, or trying to change economic policy from within the ruling party. The latter invites a battle for party political control that a trade union movement can never and should never win. Just as the ANC needs COSATU outside the tent, so COSATU needs to be outside. And from there, GEAR (Growth, Employment and Redistribution strategy) can be attacked without plunging the country into a crisis with every shake of the fist (Anon., 1998b:14). If top officials of COSATU were taken into the government structure, it would imply a greater political submission on the side of the ANC. Should this happen, it seems that the strong worker elements within COSATU might be forgotten.

5.5.3.3 Dangers of a weaker union structure

Change in politics also results in a loss of skills and manpower for the unions, because leading union activists go into parliament and government. However, this loss is inevitable, because organized labour simply must have its concerns addressed in the constitution-making process, reconstruction program and operation of the state structure.

The union movement faces major problems of identity, direction and resourcing, even as it celebrates its successes in politics as well as in the workplace. Following the collapse of apartheid, an important mobilising reality disappeared. A far more sophisticated set of relations with government and management is required. Sizeable gaps have been left in its strategic capacity, where there was a sudden rush of leaders from the movement to fill government seats.

Funding from overseas has slowed. Many of the rights so desperately fought for through strikes and court actions are now enshrined in law or collective agreements. The matter has been complicated by the fact that the union movement does not always agree with the assumed policy positions of the elected government (with whom the union movement is in alliance). (Anstey, 1991(b):186).

The progressive trade union movement evolved its own political leadership as opposed to accepting a political leadership drawn from political formations representative of the views and aspirations of the members of the unions. It is one of the great strengths of the unions' broad movement that many of these leaders were subsequently drawn into the ranks of the ANC, because these leaders of the liberation movement championed a cause which found a ready response among workers who, daily and directly, experienced the effect of national oppression (Mandela, 1998:22).

Mittner (1999:45) says that the new union leaders that emerge out of this, cannot be seen in the same "class" as the previous leaders that fought "wars" in the past. It seems the union federation has experienced its greatest loss in leadership, since its existence. The fear exists that former unionists

will be able to exercise enormous discretionary power in terms of the Labour Relations Act and Employment Equity Act. For instance, they may grant exemptions to small businesses from sectoral wage agreements and set employment equity goals and targets. Management has been asking whether these appointees will appreciate the harsh economic realities faced by companies. (Bisseker, *et al.*, 1998:38).

5.5.3.4 Worker participation

Worker involvement in decision-making as a challenge, especially in the management of the affairs of companies for which they work, cannot be analysed and evaluated outside the political and economic context.

Negota (1992:8) states the following: "Our relation in so far as involving employees who are not trained for such a drastic change is concerned, may end up destroying the very employee, the programs are intended to serve...". He says that the reality of the situation reflects poor economic planning that is underpinned by a poor educational background. In the past, the objective of participative programs was to decorate workers with "false medals" to make them appear as though they were fully *au fait* with commercial values. The aim was to provide general training especially to black workers within well-defined scopes and specific roles which management would like them to play.

"If training is aimed at providing individuals with skills, then those who are trained, would immediately be placed where they would be able to exercise their skills..." (Negota, 1992:10). Blacks who joined in employee participation schemes were accommodated like homeland leaders to take charge of blacks and black affairs, as long as they did not pose a threat to the power possessed by fellow white employees. It was feared that a union activist could be appointed as a worker director in an executive position, that carried a lot of real power, where he represents the worker's points of view at the highest corporate decision-making level. However, he would not be able to interfere in day-to-day prerogatives to run the organization's operations in the way he sees fit, as managing boards in Germany do (paragraph 4.3.10).

Appointments as worker directors have led to trade unions fearing that these leaders are high enough in the organizational decision-making apparatus to feel co-responsible for some of the unfavourable decisions that are being made. Yet, by virtue of being a "mere" non-executive director, he will not be in a very strong position to shape the corporate agenda effectively and the direction of industrial relations in an organization. As a feature of co-determination, such as in Germany and Sweden, unionists are being appointed as worker directors on management boards. The movement of union

leaders into management boards of organizations (for instance Cyril Ramaphosa and James Motlatsi) places these union leaders in uncomfortable positions. They are part of the "us" as union leaders, but also part of "them" as board members.

Unions are aware that these leaders will now have to take an objective stand on various industrial disputes. If management decides to retrench workers as part of cost-cutting measures, these union leaders will be part of that decision. This will make it difficult for trade unions to reject any reasonable retrenchment decision. Another point is that these leaders have more access and exposure to the organization's financial affairs and this will change union's beliefs that organizations always have unlimited financial resources. In view of this, it is understandable why unions do not feel they have secured a victory just because some of their leaders are appointed on management boards. On the contrary, they feel that they have made a compromise in the worker participation process.

5.6 WORKPLACE CHANGE

In contrast to the fear that exists among managers that worker and union influence and power are being increased, some authors believe that participative systems rather reduce the power of workers and representatives. The underlying argument is that managers and specialists have more experience in communication and human relations than workers and/ or their representatives. Therefore, the workers are in a position of reduced power. Management has more expertise and information about problems pertaining to the organization than ordinary workers do.

5.6.1 Factors in determining effective workplace change

Before adopting an employee involvement process, the parties must consider various tests to determine whether the joint venture will have any chance of success. Power (1990:76-86) gives the factors that set the stage for employee involvement to assist in achieving required structural changes as follows:

5.6.1.1 Willingness of the parties

The phenomenon exists that, where parties have acceptable relationships, they find it very difficult to recognise a need for change and to sustain it. In essence, the pain of the status quo is less than the pain required moving forward in a new process. Successful programs involving joint ventures between the workforce and management have arisen from the worst of relationships

5.6.1.2. Not a process for everyone

Workplace changes should not be implemented blindly. A number of programs exist that are nothing more than a fad. These programs are created and implemented because they are believed to be the "in-thing to do today" in human resource management circles. Some of today's programs are the result of the misguided theory that programs like these is a good method to get rid of a union or to keep a union out of one's business. Others have their origin in financial difficulties that propel organizations to consider employee involvement.

5.6.1.3 Timing and expectancy

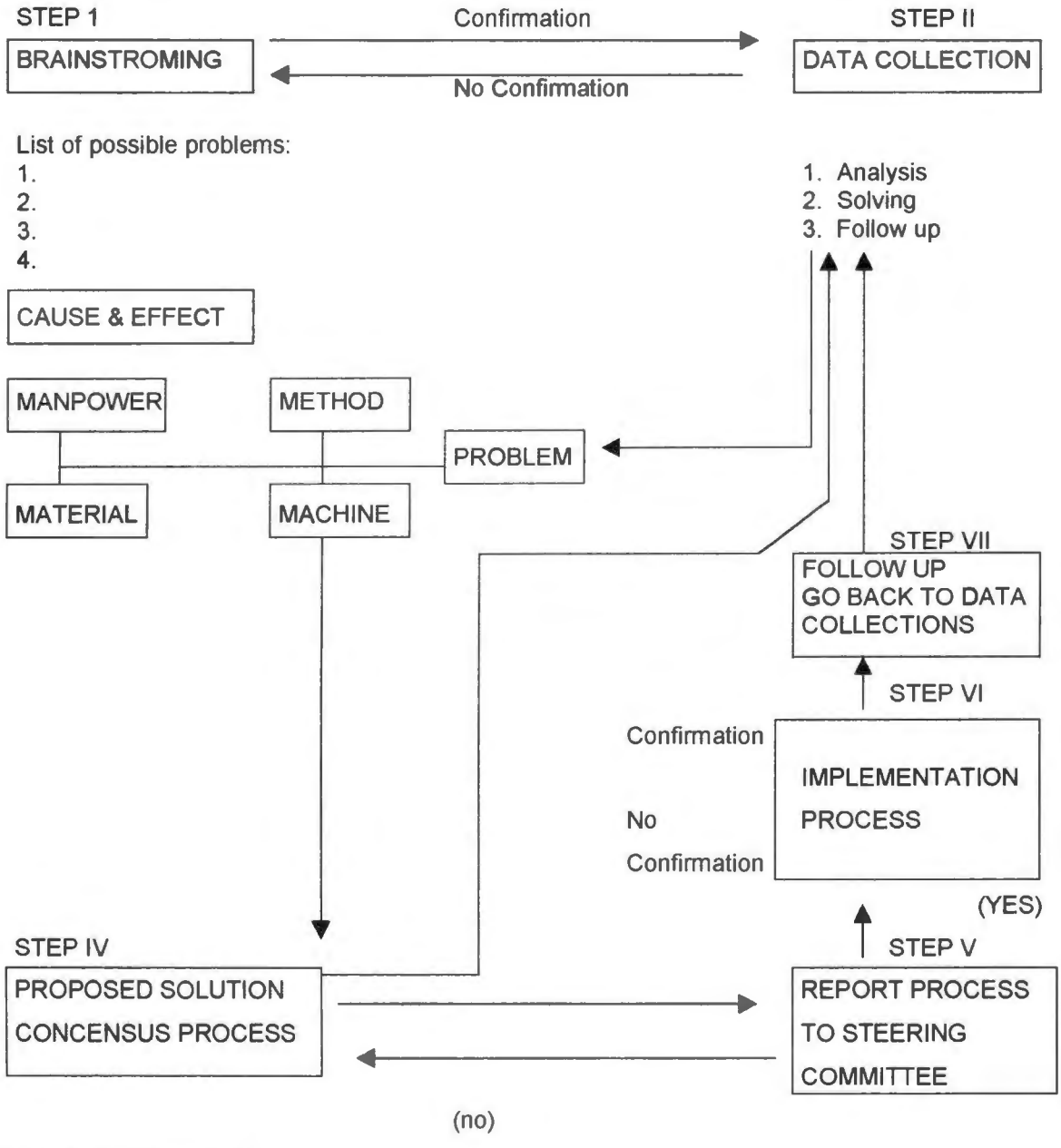
It is important that the time factor should be taken into consideration for the following reasons:

- An employee involvement system could withstand any serious problems that may occur with the labour-management relationship;
- It takes time to bring two distinctly different organizational structures (union and management) from an adversarial system together; and
- In order to accomplish transformation, many hours should be spent training and participating in a joint, fair and neutral problem-solving process.

This process is set forth in Figure 15 and requires the following:

- Abandonment of old problem-solving methods used in an adversarial system and adoption of new, neutral methods;
- Substituting the unilateral idea-generating process for a bilateral brainstorming process; and
- When ideas or problems are identified, to validate them by data and not to act on assumptions.

Figure 15: The problem-solving process

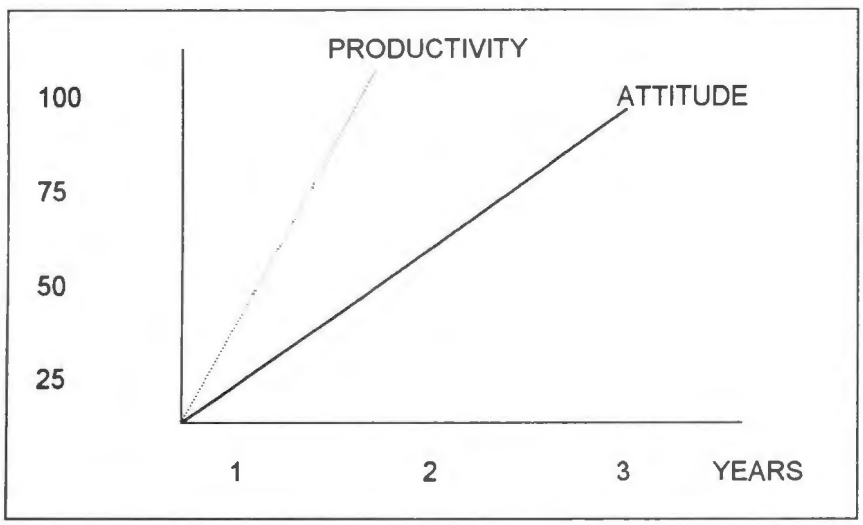


Source: Power (1990:78)

The abovementioned process will help the parties to build a graphic model, which will group the various causes around four standard cause areas: manpower, methods, materials and machines. Following the model-building phase, comes the solution phase where parties are required to validate or reject their suggested causes; analyze the causes and report to a steering committee of top union and management leaders. A follow-up procedure is to check if the implemented solution is

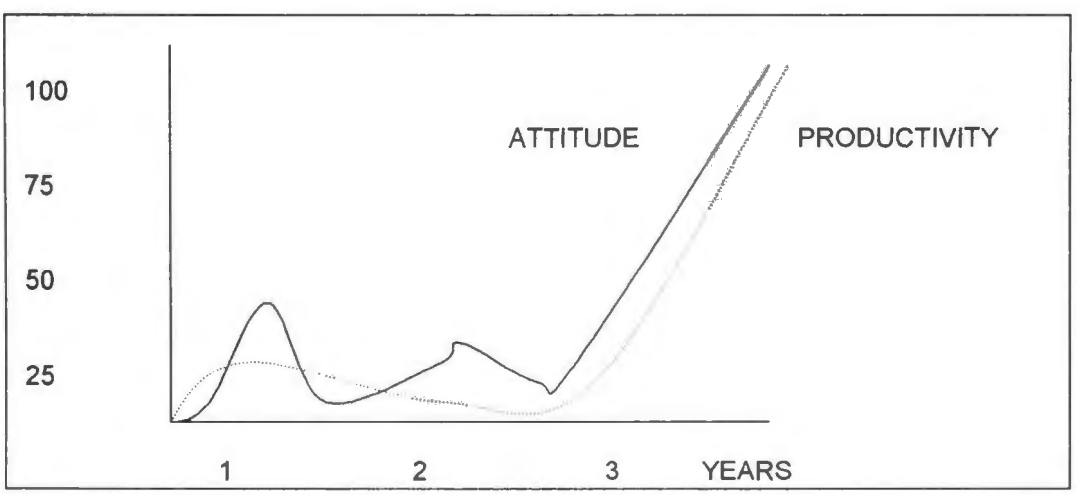
successful and if any further improvements are required. In terms of the expectancy factor, it is important to remember that a large gap often exists between what management and union expects to receive from this process. They normally expect that their attitudes to one another will automatically be improved with the implementation of the employee involvement program and that productivity will increase sharply. However, when compared with the actual occurrence factor, substantial differences appear in both attitude and productivity plots, as can be seen in Figure 16 and Figure 17:

Figure 16: The expectancy factor in employee involvement programs



Source: Power (1990:80)

Figure 17: Actual occurrence factor in employee involvement programs



Source: Power (1990:80)

The sharp increase towards a more positive attitude, followed by a steep decline towards the end is generally because the parties have developed unrealistic expectations of an improved relationship. In the past, it has been very convenient to blame workers for poor productivity, when in fact management had substantial control over the causes but failed to recognise their responsibility. Management must, before starting an employee involvement program, consider how they are going to utilise the program effectively and respond to worker suggestions. Management must also identify, develop and make available a clear, reliable source of information for worker team usage.

5.6.1.4 Not a replacement for collective bargaining

The employee involvement program is not a replacement for collective bargaining, but is actually a supplement to the process. There are three exclusions to be noted in order to ensure that the employee involvement process is not a threat but an enhancement to the collective bargaining process. Firstly, the parties must feel free to be honest with one another without fear of retaliation. They must agree that all current or any future grievances, once they become an official part of the contractual procedure, remain there. It will protect the function and integrity of the contractual grievance procedure. The employee involvement process should allow the solution of problems before they become formal grievances. Secondly, it should be agreed that the process is not to be used to negotiate a change to the current contract. Thirdly, it should be agreed that any conversation held within the employee involvement process will not be used by one side against the other in any legal or quasi-legal forums, for example arbitration, a court of law or contract negotiations.

5.6.1.5 Traditional roles and the political factor

The placement of employees in decision-making positions (that historically have been reserved for management) is mostly met with resistance from the first-line supervisor and the union shop steward. According to the supervisor, the employee involvement process will bring erosion of his/ her power to run his/ her area. On the other hand, the union shop steward sees the process as a threat to, and distraction from, the traditional grievance procedure, through the implementation of, for example, problem solving teams.

5.6.1.6 Needs for training and education

Power (1990:88) claims that when attempts are made to bring two distinctly different groups (trade union and management) together for co-operative purposes when their history has been characterized by adversarialism, training and education will be required. During the training process, the following should be included:

- Team-building fundamentals;
- Group problem-solving techniques;
- Report preparation and presentation
- Communication techniques;
- Interpersonal skills;
- Effective feedback methods;
- Positive reinforcement techniques;
- Current needs.

The following are factors that should be considered when planning a training component for the employee involvement process:

- Training must be conducted as close as possible to the time when employees will be required to use the skills;
- The parties should avoid training massive numbers of people over a short period of time and rather concentrate on training small groups of people as the program requires it;
- Through formal or informal means training needs can be met; and
- It must be remembered that employee comfort levels must be maintained during training.

The purposes of the above-mentioned training components are as follows:

- A neutral problem-solving methodology must be installed through training, to allow adversaries to operate in a round table mode rather than across-the-table mode;
- Parties must be prepared to communicate more effectively within and outside the process and in addition, provide a way for ideas to be converted to action steps; and
- Compilation, understanding and utilisation of data must be addressed within the employee involvement process.

5.6.2 Participation as a form of social change

As mentioned in chapters one and two, change can be brought about by various factors. Changes can be consciously implemented, or be a reaction to changes in another area, the way political changes in South Africa reflect in the workplace.

Ndala (1998:28) refers to Edmund Burke who once said: "... a state without the means of change is without the means of its conversion". Change, in this sense, is inevitable except if you wish to fail

permanently. Change is not something one invites; changes to the organization are always responses to changes currently experienced or anticipated in the environment.

Kruger (1995:7) is of opinion that change is the result of abilities getting in balance with challenges. In South Africa, the challenge is to bring about workplace democracy; this implies employee participation in decision-making that was previously a management prerogative. Old managerial styles, the result of the apartheid system, should change to bring about this challenge. These changes will require changes in (a) the empowerment of workers so that they will be able to make decisions, (b) attitudes, (c) implementation of new work methods, (d) union and management roles, etc. It is clear that political changes in South Africa have ripple effects on the workplace as a whole.

There is no perfect, all-encompassing method of implementing worker participation. Therefore, organizations which remain regressive despite the rapid changes taking place in worker legislation, will have to consolidate their management efforts (to ensure that worker participation acts as a catalyst in bridging the gap between previously outdated and uniformed systems) with one of greater involvement in the management of the worker relationship.

This does not mean that the manager's authority will become obsolete; on the contrary, according to Martin (1999:33) "... as a ship needs a captain to guide and steer it on the right course, likewise a team always needs a leader..." The leader who encourages team-building gives the team direction, yet recognises the need to maintain individual and group identity and accountability (see paragraph 3.11). Changes in human resource management are inevitable and if they do not take place, human energy will be ineffective. Management and supervisors would like their workers to use their energy positively and to contribute maximally to the goals of their organization. If an organization can achieve favourable attitudes from its workers, it reaps the rewards in thousands of ways every week. Without change, this will not be possible.

The primary complaint of managers during organizational change is the difficulty they experience in getting their people motivated (Ndala, 1998:27). Workers in the early phases of change or restructuring are often unmotivated. They are negative or uninterested in work that needs to be done. Their attention is elsewhere. Their problem is normally not a lack of motivation, but rather the fact that they are dealing with other issues. As Boden (1998:32) mentions, workers tend to act as victims of change rather than the catalysts of change.

Getting people motivated does not mean forcing them to do something. It simply means that they are helped to learn what they must do. People get excited about change when they see a part of themselves in it. They respond with enthusiasm when they feel they have a role in helping define how

their work group will be involved in the change. A good leader will offer opportunities for team members to contribute to the success of newly implemented changes. This involves asking people for their ideas on how to do it best. Here empowerment (discussed in this study in paragraph 5.6.3 below) comes into action. According to Ndala (1998:28), workers will more readily accept change if they are involved in the process. Involvement implies that they will play a role in defining how to meet a goal or how to respond to a new situation. This is the essence of participatory management. Participation can take on many forms, such as quality circles (paragraph 4.3.6), suggestion schemes (paragraph 4.3.1.8), briefings (paragraph 4.3.5), etc.

Boden (1998:34) suggests that the participation approach should firstly be to make individuals aware of core values. Secondly, they should be facilitated in addressing these values, and thirdly, they should be brought to the point where they take responsibility for their solutions. These people then feel more in control, become correspondingly more enthusiastic and willing to accept the learning and becoming part of the process. More importantly, and this is most essential, their gains need a period of coaching support to facilitate the bridge to the new working conditions.

Many participation schemes fail because of management's underlying intention to protect themselves and not to educate workers. Some of the prime barriers to change are organizational culture and traditions, poor communication, a lack of open dialogue and top-down job opportunities (not bottom-up). These barriers engender worker dependency, because the individual experiences that he is being controlled by the organization. This leads to workers fostering resentment and resistance - hence poor productivity, absenteeism and resignation. In addition, all of this is done in self-defense, according to the researcher.

The researcher is of opinion that another barrier can be the social culture of a specific race. Participation may create space for organized struggles to change the way in which work is done, to prefigure alternative structures of workplace decision-making, as well as improve the material conditions of workers (Buhlungu, 1992:74). It takes courage to confront a fear of change and failure. A fear of failure stifles creativity and willingness to try out new ideas. However, transformation does sometimes fail in an organization. A summary of the lessons to be learned from the transformation process is set out as follows:

- Transformation is not a quick-fix solution;
- A continuous sense of urgency is required;
- The status quo should be challenged continually;
- Interpersonal communication characterised by simplicity, consistency and repetition is a prerequisite;

- All efforts to return to the 'good old days' should be totally discouraged through remuneration and performance management;
- Active learning is important (plan, do, review) - workers should be able to experiment with new skills;
- Leverage is a key success factor - critical mass is essential to get the process under way and to keep it going;
- The primary objective of behaviour and skill change should be performance results;
- People should be in a position to learn by doing and should be provided with the information and support needed to perform;
- Improvisation should be embraced as the best path to both performance and change;
- Leadership, based on the courage to live the change one wishes to bring about, should be practised;
- In all endeavors, speeches, communications, etc., the organization's vision, purpose and values should be redirected and focused on constantly. This is the most important aspect of transformation - a shared vision and purpose;
- One should focus on one's staff. In the turmoil of transformation, managers tend to neglect their workers (De Witt, 1998:31).

According to Mittner (1995c:31), it is important during a changing process for management to reduce any resistance from the workers. This cannot always be prevented, however. Resistance is sometimes justified when management accepts directions in policy on which they have not reflected properly.

5.6.2.1 Culture

The issue of culture is a very sensitive one and it needs mentioning. Some cultures are regarded as inferior, others as superior. It is unfortunate that those who see their cultures undermined feel marginalised. It is time that people should embrace each other's cultures and understand where each one comes from. Only then will all feel respected. Even the worker who is at the lowest level needs to feel respected. In turn, he would respect others and thus feel empowered and be part of the organization and its endeavours. It is not easy to compare organizations in South Africa with organizations in other countries. This is due to South Africa's unique mix of first and third world populations, politics, gold resources and a burgeoning, uneducated, unemployed and mostly black population. Change is one of the inevitabilities of South African existence.

As Frost (1988:13) puts it: "..the name of our game therefore must be for us to be actively involved in it in order to have an optimum level of control of the changes that will occur. The role of the human

resources practitioner seems crystal clear if this is the context in which he is to operate." Worker participation, as mentioned earlier in this study, does not necessarily imply the demise of capitalism, but it does mean that the capitalism currently known in South Africa will require change in order to be applicable to the situation. It is therefore essential to understand the collective dynamic amongst black people, which is much more pronounced than it is among whites. Among the white population, individualism tends to hold sway. The cultural orientation of corporate South Africa will need to change. A far higher degree of conciliation and participation at all levels by all workers in decision-making processes should not only be allowed, but also encouraged. Apart from this collective need, it is probably the only sensible way of avoiding resistance to change and the only way to arrive at a uniquely suitable arrangement in South Africa (Frost, 1988:18).

Mbigi (1998:36) refers to Archbishop Desmond Tutu who said: "Africans have a thing called Ubuntu. It is about the essence of being human. It is the gift that Africa is going to give to the world. It embraces hospitality, caring about others, being willing to go that extra mile for the sake of another. We believe that a person is a person through other persons, that my humanity is caught up and bound up in yours. When I dehumanise you, I inexorably dehumanise myself. The solitary human being is a contradiction in terms, and therefore you seek to work for the common good because your humanity comes into its own community in belonging".

Boards of big companies and some senior managers often go to a "bosberaad" for either strategic planning exercises or decision-making and it must be realised that blacks do have such meetings within their own communities. These meetings can be called "lekgotla" or "ibandla" but the processes and principles are the same, namely collective decision-making (Teke, 1997:29).

The researcher assumes that black South Africans believe in collectivity. Employee participation will be a priority in the striving for equal rights in the workplace.

5.6.2.2 Organizational Culture

According to Nel (1987:28), the culture and structure of an organization is a major determining factor in the successful implementation of worker involvement. The major challenge for South African organizations is to move from a mechanistic culture towards a more task oriented/ organic culture. Because traditionally management simply dictated the changes, they did not see a need to involve the work force, its elected union representatives or union officials. Shop floor workers were simply required to implement the new techniques and acquire new skills to engage in these new work practices. They were therefore required to do something differently - in short, they were required to change (McKeefry, 1998:43).

Bailey (1982:197) explains that management needs to take on a participative approach to get the workforce involved in decision-making, to implement change more effectively and avoid resistance. Management's acceptance of this approach will depend on the existing organizational culture. This culture refers to values, norms, attitudes, etc. that are conditions/ requirements for the acceptance of a people-orientated approach.

Workers want many questions answered before they are willing or able to implement changes. McKeefry (1998:43) suggests that a forum should be established which includes shop stewards, union officials and key workforce leadership. The essential output of these forums should be a workplace change agreement. This is negotiated between the workers and management and ratified by the workforce and executive management. The agreement sets out the guidelines and rules that govern the implementation process.

Cultural change means a total departure from the attitudes of the past. No forum or any other structure can create a successful, sustainable change without the feelings and attitudes of all parties making the necessary giant leap. This is a daunting challenge, given that the old cancerous attitudes and redundant skills permeate throughout most organizations and have become second nature to most organizational members (Marais & Israelstam, 1997e:40).

It seems that South African organizations are not prepared for such challenges in the future. Why not? Mittner (1995c:78) states that this situation occurs especially with "adult" organizations which are set in a certain pattern of doing things. As an organization grows, the desire to have greater control increases. Greater employment and "bureaucratising" are usually the result. The focus of the organization is thus even more on control and all the less on invasion and new markets. With this, workers develop immovable interests. In other words, it is to their advantage if there are actions along set ways, for they get certain status- and financial advantages from it. Any changes would be seen as a danger and they would resist it. Worker participation cannot be implemented on all levels of the organization with a "click of the fingers". It should be part of a concluded change process where five steps are necessary, namely:

- Senior management must commit themselves to participative decision-making;
- All parties should investigate the present situation of participation in the organization;
- All parties should plan a shared vision and a practical participation plan;
- The first changes begin;
- A cycle of a ongoing learning process starts (Mittner,1996:34)

Changes are especially needed for the values of the organization, the relationship between management and workers, leadership, structures, control, the flow and accessibility of information, as well as loan and salary structures. Mittner (1996a:34) refers to the fact that trust is crucial for the development of a participative culture. In authoritarian organizations, management did the thinking and workers the work. However, increasingly the "think" -word and -action are becoming one process in a participative organization. This applies to information as well. In organizations undergoing fundamental organizational change, management should be expected to achieve real organizational "culture" changes in their departments including:

- Improving interracial relationships;
- Promoting the "equalising" of opportunity;
- Ensuring increased involvement in decision-making;
- Communicating with subordinates;
- Training and development; and
- Performance improvement through team commitment (Pons, 1993:16).

Company policy must reflect the views of all workers. All levels of workers should be involved in formulating a policy - it becomes their policy and they have to be part of the decision-making process. In this way, they accept co-ownership of the policy (Carruthers, 1996:22). The organizational culture thus forms an umbrella under which decisions and changes are being made. The culture of an organization influences the extent in which an organization is open for external influence from its environment and its consequent abilities to adapt to changes. If management and the workforce feel that they don't know everything and can learn from each other, they will be open to adapt to changes and it will be less painful (Bailey, 1982:197).

5.6.2.3 Resistance to change

Resistance to change is usually the result of individuals or groups who know they should give up something they are used to, something they know well, even if there is no opportunity of improvement. Vago (1980:235) describes resistance to change as a purpose where a person or group is trapped within a specific mindset and thus reacts within this framework to stimuli. Situations thus strengthen the original attitude or mindset as soon as the person or group processes it. Any stimuli that cannot be processed within this framework is dissonant and the person or group must adapt accordingly to this stimuli to process it. The reluctance to adapt their perceptual framework paradigmatically is stated as resistance towards change. The process of selective perception protects the person or group against consistent change or the adaptation of their perceptual

framework. The workforce and management are reluctant to adopt participation schemes as they fear the loss of control and power that change could bring about (Mulder, 1994:55).

According to Callahan *et al.* (1986:407), changing powers requires the constant reaction of an organization and its members to accept the changes that are being initiated. Typical resistance reactions are worker absenteeism, the creation of fictitious grievances, sabotage and reduction of productivity. Resistance manifests in a twofold way: overt, for instance the delaying of production, or covert, the reluctance to be empowered in order to know how things work. There are a variety of reasons for resistance against change which usually develop because the perspectives of the workforce and management differs from each other, and differ from the perspective of the government or of society as a whole. The researcher took note of some of Callahan *et al's.* (1986:407) opinions in this matter. Worker participation will experience resistance to changes when worker participation:

- seems to endanger work security;
- may change informal group relations;
- asks for additional training; thus may be seen as antagonism and a hostile attitude by management;
- is implemented without consulting the workers;
- may imply loss of power and status, for others it may imply the gaining of power and status; and as mentioned earlier in the study
- when there is fear of co-optation by management;
- it may endanger the rate basis for salaries;
- when there is a lack of knowledge and skills; and
- where there is fear of political and/ or union aspirations.

These are just some of the reasons that could lead to resistance in the implementation of employee participation. The human being creates a comfort zone in which he wants to function and dislikes moving out of this area, especially if the results of such an action are uncertain and disruptive (Robbins, 1980:345). La Pierre (1965:175) has a different view on workplace changes, in saying that many times resistance to change has prevented organizations from self-destruction, in that dysfunctional procedures or systems were not implemented. Kruger (1995:65) agrees that resistance usually leads to improvement of ideas and systems, for then management and workforce have to sit down and formulate a better plan and strategy. There is a very fine line between the implementation of and the resistance to workplace change that will result in optimal functioning of the individual, the group, organization or society.

The suitability of resistance to change is present in the principle of adaptation or extinction. Unions and/ or management which, like any other system, resist change, stand the chance of becoming irrelevant, and in such a way their task and function become irrelevant (see the various theories of change in chapter 2). It must be remembered, according to the researcher, that there are different types of personalities. Some thrive on an ever-changing environment, while others fear change because it brings instability and insecurity. Workers will individually differ in their opinions on their own reactions to change.

5.6.2.4 Management of change and management of resistance to change

There are two ways to look at management of change. Firstly, one can look at how to manage the change brought about by the implementation of worker participation schemes. On the other hand, one can look at the important role participation plays in the implementation of change. However, since this study focuses on worker participation as a form of social change, the researcher will only look at how to manage change and resistance brought about by the implementation of worker participation.

Some aspects of management of change and the management of resistance against change are included in this study, because re-positioning and change are parallel to each other. The adaptation to changes in the labour relation system must be managed in some way or another. Changes brought about by employee participation must be anticipated and calculated. Unions need to adapt to remain an influential party. Management needs to adapt or let go to achieve greater organizational effectiveness. Workers need to be empowered to handle the new responsibilities and be accountable. According to Human and Horwitz (1992:1), unions must adapt to political and economic changes to remain a prominent force in the South African society. Nevertheless, as mentioned earlier, it is quite a challenge to redefine their role and restructure a strong union leadership again.

Bendix (1991:225) is convinced that the momentum of change is increasing, and the labour relations manager's task must be broadened to include the facilitating of progressive organization development. Robbins (1980:343) writes that the management of change is of cardinal importance, for change brings about adaptation, and only the adaptation process can ensure the continuation of the organization. The motivation to change thus forms a part of the management of change, and is one of the great responsibilities of a manager. Communication is essential so that management can facilitate change in the organization context. Callahan *et al.* (1986:408) write that when management observes some resistance to change, they can approach it in such a way that resistance can be reduced, or even avoided.

The application of management change reduces resistance, and includes the following methods:

- Empowerment through accurate information and effective communication in terms of the specific change process;
- Worker participation during the changing process increases information levels as well as accountability and responsibility. One-sided decision-making can be a trigger for labour unrest. Any human being wants to feel in touch (in control) with his environment. Participation in decisions will lead to a feeling of control.
- Facilitating and support to help people adapt to the new situation. This implies emotional support and the offering of training to learn new skills to adapt to the new situation.
- Negotiation and agreement on certain aspects, so that the parties would not focus on their loss of power/ status, or even reduction of salaries or retrenchments. Through negotiation, the parties can come to an agreement towards the process of change.
- Manipulating and co-optation may be used to be selective in the sharing of information, as well as the accuracy of this information that is being shared. However, this could lead to distrust among the parties, and the implementation of new procedures, techniques and methods can be met with greater resistance. Since it is important to gain trust in the implementation of workplace change, the researcher would suggest that this method be avoided.
- Explicit and implicit coercion implies strategies such as retrenchments, reduction of promotion opportunities or job changes in order to bring about changes as quickly and effectively.

5.6.2.5 A model for the effective management of change

With the above in mind, it is necessary to look at a model in which three facets can be identified. The model is applicable where not only productivity is declining, but, all functions of the organization including the morale of the workers. Based upon the ideas of Zaaiman (1990:215-217) and Mulder (1994:57-62) these three phases will be discussed with reference to Figure 15.

Phase 1: Defrosting (The preparation for change)

Fear and resistance against change are characteristic of this phase. Here mechanisms can be used to motivate the stakeholders to prepare for change. It is necessary for the stakeholders to be protected psychologically, by making them part of the decision-making in looking for solutions for problems that might occur with the implementation of changes. By doing this, stakeholders feel that they are in control of the changes, and thus resistance decline.

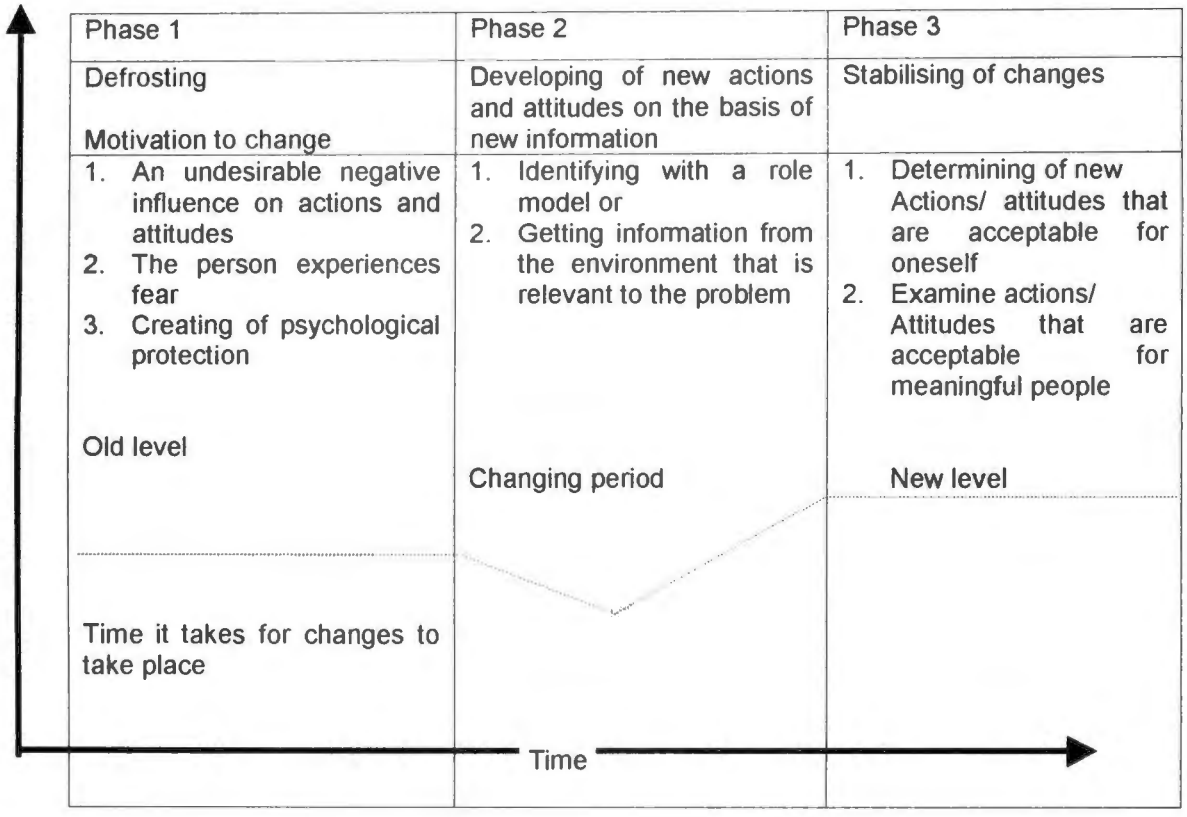
Phase 2: Change (Creating of new behaviour patterns)

Exposure to information is important to motivate the stakeholders to change. They are able to identify with the new behaviour patterns and internalise them.

Phase 3: Re-freezing (Stabilising change)

During this phase, the emphasis falls on the acceptance of change. This acceptance can be easier and quicker if the individual shareholders are part of a group that has to learn the same behaviour patterns. According to the researcher, empowerment plays an important role here (paragraph 5.6.3).

Figure 18: A model for the effective management of change



Source: Mulder (1994:61).

The researcher believes that this model for acceptance of change is not only applicable to the individual worker, but to all stakeholders (i.e. management and unions). It has become clear in this and previous chapters that the implementation of worker participation does not only affect the workforce, but all stakeholders that are involved in decision-making and the efficient running of the organization. Not only does the workforce sometimes feel uncomfortable and reluctant to accept co-decision-making, but management does as well.

5.6.3. Human resources factor: empowerment in relation to participation

As mentioned before, the concept of worker participation is differently interpreted by a variety of people. Unfortunately, among this spectrum of people, only a few recognise the people element of employee participation.

Dewar (1989:245) claims that he never preferred the terms "worker participation program" or "worker involvement program". He claims that the tendency in Western countries is that management manages from the top downwards, forcing thinking, ideas, concepts and even prejudice down to the shopfloor through managers and supervision. He refers therefore to the Japanese saying: "Darkness reigns at the foot of the lighthouse." The darkness of neglect, the darkness of poor communication, the darkness of ignorance - all of this creates the traditional mistrust of motives. Management is unable to see the needs and aspirations of those condemned to the darkness.

Carruthers (1996:22) refers to empowerment as the accountability and devolution of responsibility. In order to achieve this, meaningful training and educational opportunities need to be established for all workers in the organization. Worker participation, according to Martin (1999:32), implies: "...that workers are given the opportunity to make a worthy contribution regarding the application and implementation of workers legislation which directly impacts on the worker relationship. With worker participation comes empowerment. Empowering line managers, supervisors and other workers to make informed decisions will benefit both the individual and the organization".

According to Sono (1999:22), empowerment implies the economical improvement of individuals rather than groups of people from disadvantaged communities. The writer differentiates between stages of empowerment:

- Empowerment is firstly a political concept and secondly an organizational term, for in the past empowerment was given to black men and women with political relations or who was connected to certain political leaders, even to those who just pretended to have such relations;
- In economical terms, political empowerment was focused on unions, for instance COSATU's alliance with the ANC. Any other union that is an affiliation of COSATU has an attraction to business, especially when they formed investment companies;

The emphasis on constructive training is increasing. Each worker has a right to be trained and within the context of worker advancement, the focus should be on developing specific skills and empowerment (Carruthers, 1996:22). Nevertheless, involving people in some type of participatory form does not mean that their human potential is fully utilised in the process. Productive participation

does not mean that people are involved in meetings. It rather entails the mobilisation of the productive potential of people to be focused on the reaching of common goals, i.e. participation in a dynamic sense - not only in a mechanistic sense (Venter, 1997:28). The idea of empowering people is more than providing training for the job. It means developing the person as a whole. Human development is more about identifying and nurturing potential and the ability to learn than about rigid educational requirements (Ndala, 1998:28).

The researcher would like to point out the labour relations at Volkswagen SA as referred to by Smith (1989:233-234). Here the worker is being addressed as an individual as well as part of a collective organization. The issue is people empowerment, such as involving people in decisions, training and developing. This process comes from sharing information, delegation, training and education and allowing people to become involved. Allowing the individual to grow and develop to his/ her full potential. Training for all workers should focus on providing a total picture of the critical aspects and areas in the workplace. Emphasis must be on identification of possible hazards and the ability to address problems by equipping workers with the correct knowledge and skills (Carruthers, 1996:22). Organizations will have to focus on training and developing workers' skills and knowledge to enable them to adequately and effectively deal with procedures, policies and the implementation of fair worker practices (Martin, 1999:32).

Empowering the workforce to deal with uncertainties, respond rapidly to changes in technology, achieve international quality standards and to make decisions quickly and effectively is the key element of this organizational change. The important difference between a successful company and one that is floundering, is its people. Productivity growth and quality standards is secured by a company which recognizes that its workforce is an asset in need of resources and respect rather than a cost to be minimised, that workers' rights to representation should be acknowledged, and that substantial resources should be allocated to the empowerment of workers who are going to be involved in consultative processes.

It is necessary that people who occupy positions carrying responsibilities, should have suitable experience and qualifications (Sefele, 1998:94). Katz (1995:37) agrees with the last-mentioned author in stating that empowered workers accept responsibility for their successes and their failures: "Being given a say in how things are done, makes them feel responsible for the outcome, both in quality and quantity."

Malepe (1994:111-112) reports on the problem of "accountability" and "education" at Premier Food Industry, that both unions and management discovered the problem was "accountability". Management agreed that workers could take decisions, but wanted to hold workers accountable for

those decisions. In other words, if members of a team took a decision on the production line, which later caused a problem, management wanted to hold the workers liable. This means that if the disciplinary measures require dismissal, the individuals in that team would have to be dismissed. The union argued that if workers should be accountable in such a way, the same management status and benefits should be applied to the workers who are participating in decision-making. Management refused. At Premier Food Industry the unions established an agreement with management that the organization should pay for workers to be educated, so that they would understand issues in strategic decision-making.

The more workers are educated and trained, the more accountability and responsibility they will posses. But it must be remembered that even the lowest educated worker can and must give a contribution to the decision-making process. The advantages that improved team spirit, creativity and productivity bring into an organisation, make it worthwhile to consider participative management (Anon., 1995a:14).

Barret (1993:64) reported that many supervisors would be able to run a department on the basis of their experience and knowledge in Premier Food Industry, but because they did not have formal qualifications, they still "had to phone the boss who is sleeping at home to have a decision made about a problem".

In spite of the establishment of the various co-determinations and negotiating committees, no change in worker control over production could be seen. To have an empowered worker, the worker needs to be provided with the skills that will make him an independent thinker. For workers to understand and have a vivid picture of where the organization is going and how it operates, training and development is critical (Teke, 1997:29).

Management's approach to introducing various training and development interventions is admirable, but in most instances, these have a low degree of sustainability, as in many instances individuals are not gaining any maintainable progress. Their personal rate is unfortunately not a high enough level to absorb and integrate the new material and ideas (Boden, 1998:34).

It is important to have workers who are independent thinkers in the workplace as it can make things much easier for both worker and organization. Some even believe that redressing the imbalances of the past may involve taking wealth from the rich and giving to the poor. Others believe that empowerment, as a form of redress, may involve opening up job opportunities and business opportunities to those who were oppressed in the past. Encouraging workers to get involved in decision-making rekindles creativity and innovation amongst workers and instills the spirit of

ownership. They end up thinking like business people as well. Workers feel important and want to be part of solutions to some problems, instead of always being (seen as) part of the problem. There is a need to provide workers with not only formal education and some work-related training, but also with life-skills.

Most workers and managers feels that workers should have the knowledge and skills for participation at the job/ task level, but that they do not presently have the propensity for high-level policy decisions. With the required training and development, this perception could change if an organization is committed to a participation process, and workers show themselves able and willing to participate at this level. Without granting workers the opportunity to participate, managers will never realise workers' capabilities (James & Horwitz. 1992:29).

Management must be committed to developing and improving the skill base of its existing workforce, as well as introducing new skills. To this end, the organization should implement a comprehensive review of training and development in all areas (De Witt, 1998:30).

According to Huss *et al.* (1987:10), employee participation can be seen from two perspectives:

- Involvement means learning what the process is and how it works. It implies managers actually implementing the process in their activities and facilitating and leading circles/ teams throughout their organizations, i.e. adding personal actions to the words of commitment; and
- Involvement means creating an environment of expectation in which everyone is expected to create and contribute to the improvement of the organization.

Providing a conducive work environment is one of the ways of empowering workers; providing workers with good training and development programs, involving workers in the decision-making and participation processes and having an efficient and effective communication system are other critical ways to empower the workforce. Empowerment must function based on values defined by the organization. Each organization must evaluate the reasons it holds as important for advancing workers and must be clear about those reasons. It must also have a very clear vision of where it intends to go in advancing workers and why it intends to go that particular route (Frost, 1988:19). The objective should be to indicate to the communities where the disadvantaged workers came from that they have a future with the organization.

Corporate health is sustained through worker participation. Worker participation is enhanced when individuals are respected as such and are encouraged to become career resilient through self-empowerment (Boden, 1998:32). According to Mittner (1995b:31), workers are empowered by

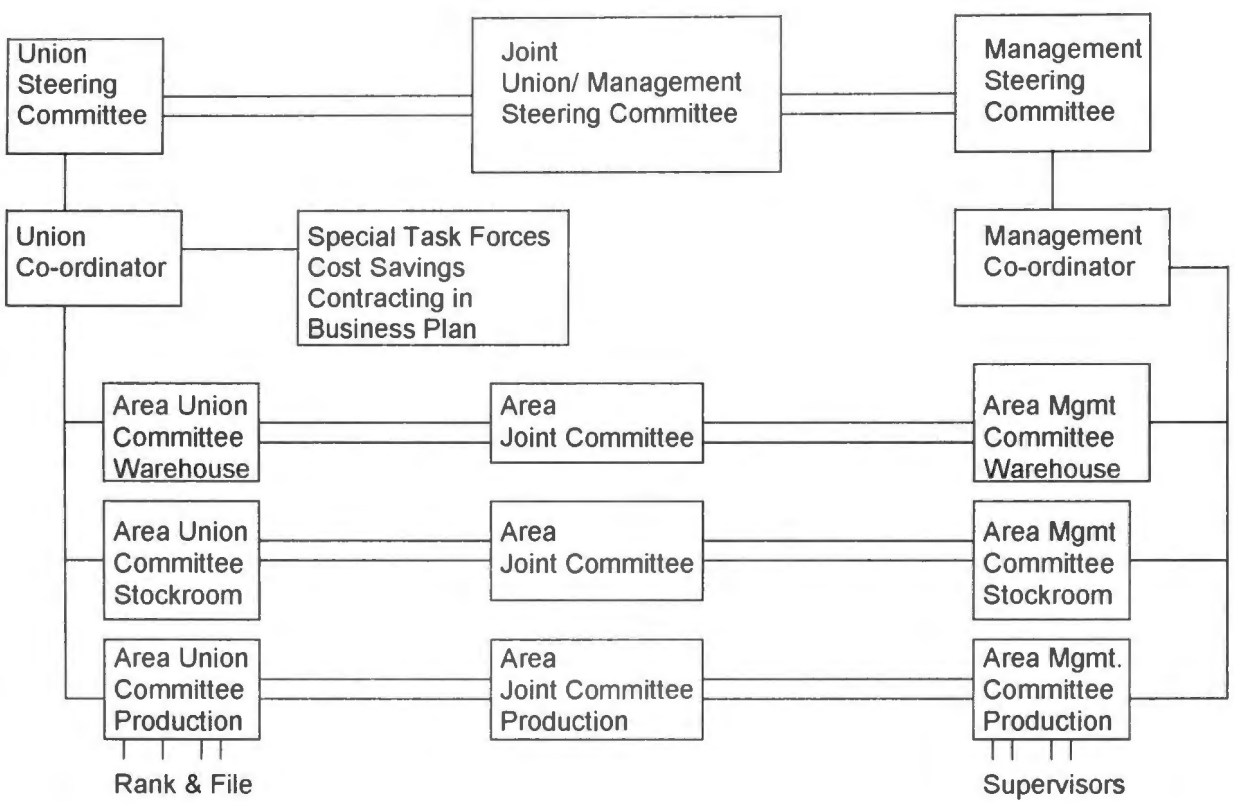
process-restructuring techniques and must feel that they are part of these changes. Workers of all departments must be involved. The establishment of a learning centre where individuals may gather to avail themselves of many different systems, facilities, interventions, workshops, coaching and counseling is becoming recognised as vital to the maintenance of corporate health. This correlates with organizational success. Bornman (1992:20-21) gives the following action plan to become a learning organization:

- The organizations should develop and communicate a vision or purpose that focuses more directly on the worker, for eventually they will make decisions that will lead to higher profits, productivity, growth rate etc;
- Developing individuals is an essential cornerstone of the "learning organizations", as it is a deliberate attempt to improve worker and managerial effectiveness;
- Creating an effective team requires the ability to put people together who can get along with one another and who will pull together when faced with new challenges;
- Coaching and mentoring are two more cornerstones of the learning organization, which ensures that the workers will get the right kind of support necessary to assist them to develop the appropriate skills and knowledge;
- Open communication creates innovation - workers have the self-confidence and courage to come forward with suggestions and ideas;
- Management's styles and practices need to develop flexibility;
- Managers talk of being more competitive and more productive, but sometimes forget to be more co-operative. They seem to be blind to the opportunities that can improve and create success;
- If trusts is not built, all actions will be viewed with suspicion; and
- An acceptable reward structure should reflect the organization's just and equal treatment of its workers.

Empowerment applies not only to the worker, but also to management and the union. For (as it has been mentioned) employee participation schemes require for workers to learn accountability and responsibility, how the participation scheme works, how to make decisions that were previously management prerogatives, etc. Employee participation schemes also ask for the necessary empowerment for management and unions to adapt to the changes effectively. In terms of empowerment of trade unions, a joint program of co-operation was launched in 1981 that is called the African Workers Participation Development Program (APADEP). The overall aim was to strengthen trade unions in Africa in their effort to respond to emerging structures of trade union and worker participation. For this goal to be reached, trade unions were to acquire the necessary knowledge, experience and skills to achieve meaningful and effective participation. The program was to assess

possibilities, establish priorities and examine concrete mechanisms, as well as helping unions formulate and implement their own policies on participation taking into account the interests of workers and society. The main means for achieving effective and meaningful participation by unions are still the education of trade union leaders, worker education instructors and enterprise-level union and worker representatives. To create on-going training, education and research activities focusing on trade union and employee participation, is to prepare trade union leaders and officers at all levels for the roles they are expected to play, and to ensure the independent functioning of academic activities (Kester, 1991:60-61).

Figure 19: Union empowering model of worker participation



Source: Banks (1994:106)

In spite of political parties' desire for greater work opportunities and the abolishing of discrimination, black empowerment is stepping into in the limelight. But the process where black workers are only being placed in management positions is nothing more than taking away their economic powers. It is only a stage of white faces with black masks on, according to the head secretary of COSATU. He goes further in stating that the so-called worker participation programs such as quality circles only exist to improve productivity, without helping workers to make real decisions that will affect their lives.

This scheme focuses only on micro-aspects and is not a part of the wider strategic decision-making process. A new way of thinking about the process of workplace democratisation is necessary. Management has to realise that decisions over investment, technology, research and development, training, etc. are not their prerogative any more (Ebersohn, 1994:57).

Black empowerment programs open immense possibilities for trade unions to secure financial equity of control over capital. Through building an independent financial base for workers, trade unions can influence investment decision more systematically. Profits accruing from successful economic activity can finance trade union work in future. This economic activity will create jobs, pay good wages and is sensitive to the environment (Patel, 1994:28).

Toyota SA has implemented various worker involvement programs, e.g. Eyakho (the individual investigates and resolves problems affecting his/ her area); Kaizen (management-overseen group that is involved with the elimination of waste to achieve savings); Jishuken (a management-driven group studying techniques to reduce labour standards); quality circles (paragraph 4.3.6); and Siyancabang (individuals effect improvements within their area of responsibility to the advantage of their subordinates or themselves).

For the purpose of this study the researcher will look at the latter worker involvement program at Toyota SA as referred to by Dewar (1989:253-254). Siyacabang means: "We think" and centres on a questionnaire, which details all the wrong ways to produce a vehicle, both by man and by machine. The object is to eliminate waste and its aim is to convert an ordinary worker into a motivated thinker. Here the worker has a say about his/ her workplace situation. The worker has a say how the work should be done. For example: the question is asked if the operator uses a torque wrench and if so, does he wind it more than twice? "...In one operator's situation and in connection with the Corolla front suspension, he felt he was working too hard at tightening bolts with a torque wrench and questioned the process. Together with his group leader, he calculated the number of applications or movements. There are two suspension arms, each of which take one bolt. Each time the man put the torque wrench on, he actually wound it eight times with the left and then eight times with the right. The fact that the worker has been doing it eight times appears to be insignificant, but then he was doing it sixteen times per unit. It adds up to two thousand six hundred times per day and that amounts to six hundred thirty seven thousand times per year. The plant management, at the operator's own request, tested the torque wrench, found that it was defective and quickly replaced it." Dewar (1989:253-254). The subordinate exercises judgment and earns respect. As confidence develops, simple production aids lead to quality improvements and the easing of physical work.

Toyota SA sees education and training as a means of leading workers out of mental darkness into enlightenment, training and thinking laterally; familiarity and certainty in doing; analysis rather than dogma. According to Dewar (1989:249), it also means "...preliminary training, actual training in being able to demonstrate the basic simplicities upon which complexities are built so than one can return to these when necessary. Education should go hand in hand with schooling and then continue to a definite finished product."

The researcher would like to point out some practical steps taken by Volkswagen SA in aiming at worker empowerment:

- Information centers are set up to share information with production workers, information about people (such as birthdays), production, products (such as the display of a new product);
- Achievement group program includes training in problem-solving techniques;
- Recognition events and awards place the emphasis on giving workers who have done good things, small awards, and small functions with the emphasis on recognition, letters of congratulation, etc. The aim is not to undermine the union.
- The Japanese concept of Jidoka (where the worker in the production line can push a button if he experiences any problems). This will stop the whole production line. A team will assist him with the problem. In such a way, the worker gets power over his/ her job. It says that management trust the worker's judgement enough to allow the worker to stop the production line;
- Feedback and information sessions are aimed at total communication and not only the "must know", but the "nice to know things" as well;
- Team talks in the morning. Workers first report for ten minutes to the foreman's office; review what has to be done for the day, what the target is and what had been achieved the previous day. It provides a chance for the foreman to talk to the workers and sort out any work related or domestic problems before the line starts;
- A concept of a year-end show is implemented where workers gather together with the emphasis on breaking down cross-cultural barriers between levels and races; and
- The vital issue of black/ white interface and cultural and political issues are being looked at in a series of workshops. Here workers, supervisors and managers meet and discuss issues of concern - not only work issues, but political issues as well (Smith, 1989:235-238).

However, who is responsible for initiating empowerment programs that will assist workers, their representatives and management in worker participation? It is unrealistic to believe that it is the sole responsibility of the human resource management department to manage and implement labour legislation in the workplace. The concept of involving line managers, supervisors and other workers

in managing relationships is a vital link in the process of reducing conflict and hostility and simultaneously ensuring that fair and equitable worker practices take place (Martin, 1999:32).

Participation can only begin to be meaningful and effective if the workers, especially shop stewards, have been trained in areas like planning, finances and others. Without this, it is dangerous to suggest participation as a solution, because worker leaders can be overwhelmed by technical details that they cannot carry back to the workers (Buhlungu, 1992:75).

The strategy of empowering groups or teams is particularly effective in situations where it is not possible to empower individuals alone. By conferring collective responsibility for a meaningful output, for making decisions and reaching the desired output, the level of responsibility of individuals in the team rises (Katz, 1995:37). However, according to the following authors, there are some aspects about empowerment in South Africa that need consideration, namely:

- It seems that the entrepreneurial individuals cannot get empowerment support, as it is only for selected groups. Regarding empowerment and government contracts, South Africa is a market economy of handpicked groups, i.e. unions, women's groups, etc. This is a false empowerment picture, for false implementation continuation of affirmative action in the early nineties (Sono, 1999:22).
- Political theorist, Robert Dahl has commented on the importance of decentralised decision-making as a mechanism for training in democratic practices. However, should one group have inherent power disadvantages relative to another, co-operative approaches may be perceived as serving only the interest of the powerful. The exploration of means and the process for achieving worker stockholding is therefore sensitive and complex (Horwitz (1988:11).
- As long as the focus of the trade union's training vision contains (as a core element) the proposition that people should be paid for skills acquired and not for skills applied, the race for the achievement of the objectives of the new Labour Relations Act will be off to a false start (Baard, 1996:33).

5.7 SUMMARY

It is not possible to win the hearts and minds of the workforce if they are not empowered. They will not be interested in what happens around them in the organization. There will also be no emotional attachment to the organization. It will be very difficult for them to trust the organization or to be trustworthy themselves. If workers are not empowered, it will be difficult to motivate them to be participative or become part of a team.

The future of our country depends on our workers. They must be literate, motivated and be trusted to work hard in a very conducive environment. Creative and innovative workers are willing to participate in meaningful business activities.

Where a strong trade union is present, it would be ill judged to introduce any form of workplace participation without involving this union. It would also be an act of bad faith to seek to introduce co-operative endeavours to displace a representative agent. Trade unionism is a movement that functions best in a mixed economy and democratically orientated society. The inherent appeal of socialism and worker control (articulated most forcibly during the early phase of the organizational development of unionism), has brought tough choices to the leadership of the union movement (Douwes-Dekker, 1990:159).

Banks (1994:102) claims that the assumption that co-operation between management and labour will increase efficiency and that the adversarial relationship between management and labour is the chief culprit in the current worldwide slump in productivity, is wrong. He is of opinion that workers who are given the power to participate in deciding how their work is to be done and in how things should be managed, attribute to higher productivity and efficiency.

It is irrelevant whether this participation took place under adversarial or co-operative conditions. What is relevant is that some degree of power was ceded by or usurped from managers and transferred to workers. Jain (1980:14) is of opinion that many of the problems arising from the implementation of participative schemes are caused by the fact that employee participation involves a change in power relationships.

No organization or union federation, as a subsystem in a society, is excluded from change. The internal dynamic as well as external agents of change have an influence on union federations and put pressure on them to change in order to adapt to the changing environment. To adapt is necessary in order to survive.

CHAPTER 6

EMPIRICAL RESEARCH

6.1 INTRODUCTION

In Chapter 1 (see paragraph 1.2), the purpose of this study was indicated as determining the effect labour participation as a form of social change has on labour relations. In furtherance of the stated purpose, this study now investigates the following contextual and supportive aspects of worker participation, namely:

- The workability of the various forms of worker participation in the South African context. (See questionnaire: Section A 11; Section B35.1 – B35.15; C54.1-54.6, Section D, part I, 55.3; 55.4; 55.5; 55.7; part II, 55.13; 55.14; 55.15; 55.19; 55.20)
- The main characteristics of worker participation schemes.
- The perceptions and attitudes towards worker participation. (See questionnaire: Section B12-B31; B33.1-B33.8 and B33.10; B34.1-B34.12; Section D, part 1, 55.11, part II, 55.16; 55.17; 55.18)
- The role of education/empowerment in the implementation of worker participation. (See questionnaire: B32; B33.9 and B33.11; C36 - C53)
- The role of the politics in the workplace. (See questionnaire: Section D, part I, 55.1)
- Suggestions towards the successful implementation of worker participation. (See questionnaire: Section D, part I, 55.2; 55.6; 55.8; 55.9; 55.10; 55.12)

In order to achieve the above mentioned primary and secondary goals, empirical research was undertaken at different levels at Eskom in the Vaal Triangle. The researcher would like to point out that the findings are based on a parastatal (semi-state) organization, but that the findings are universally applicable to any workplace situation in South Africa. The assumptions and suggestions made in this study focus on the specific organization where the study had been undertaken.

In this chapter an attempt has been made to analyse and explain the findings against a theoretical background, so that assumptions relating to the purpose of this study (determining the effect of worker participation as a form of social change on labour relations) could be made with a high degree of probability.

As indicated in Chapter 1, the empirical part of this study uses two methods of primary data collection, namely a questionnaire and unstructured interviews. As far as the collection of information was concerned, the choice of the most suitable method was primarily influenced by time restrictions. The researcher therefore used questionnaires to gather empirical data.

6.2 RESEARCH METHOD

For the purpose of this study, questionnaires were given to all job-grading levels in Eskom. The researcher did not concentrate on a specific group of workers, because the researcher wanted to obtain the opinions of the total spectrum of the workforce (management included). The researcher also decided to implement random testing, because of time restrictions and because some levels contained as much as 2000 workers. The decision to do so was further supported by the fact that the research was to be conducted in the whole organization and not restricted to merely a single department of Eskom. Random testing also guarantees a greater available population.

6.2.1 Delimitation of the study field

This study focuses on worker participation in the practice of labour relations. The available population existed out of all job grading levels determined by the Patterson Grading at Eskom. In other words levels F; Upper E; Lower E; Upper M; Lower M; Upper C; Lower C; Upper B; Lower B; Upper A; and Lower A.

It was decided to do the empirical research at Eskom, for it differs from other organizations in that it is (a) parastatal and (b) worker participation is already being implemented in the workplace. The results and findings of the research are interpreted on an entirely average basis and nowhere in the results and findings reference is made to the results and/ or findings pertaining to an individual worker or manager.

6.3 MEASURING INSTRUMENTS

As mentioned in Chapter 1 (paragraph 6.1), questionnaires were used as a method of data collection (Appendix A). The items in the questionnaire is of such a nature that the respondents' attitudes in terms of the following aspects could be measured:

- Biographical information of the respondent.
- General impressions on worker participation.
- The impact of worker participation on labour relations.
- Forms of worker participation.
- Effectiveness of worker participation in the organization where the study was launched.
- Personal opinion on the implementation of worker participation in the workplace.

While planning the questionnaire, the researcher, in co-operation with the Statistical Consultation Services of the Potchefstroom University, decided to use a four-point and five-point scale, instead of a three-point scale. The advantage of a four-point scale is that it does not provide for comfortable central (and therefore neutral) responses. The reason for using a five point scale was to avoid the possibility of an untrue response by ticking an answer for the sake of answering and to give respondents the opportunity to indicate when they didn't know the answer, instead of just leaving the question unanswered. One of the advantages of questionnaires, according to Moolman (1996:230), is that a vast amount of information can be obtained within a short period of time. The information can then be analysed statistically in order to make useful assumptions and suggestions.

Different types of questions may be used in questionnaires. Balsley and Clover (1988:220-221) mention the various types of questions that can be used, viz.:

- open questions that allow non-structured answers;
- bi-articulated questions that can be answered by responding positively or negatively;
- multi-choice questions; and
- explanatory questions in which reactions to statements can be obtained.

6.4 RESEARCH GROUP

The questionnaire (Appendix A) was given to workers selected from all identified job grading levels at Eskom. Random selection was necessary, as pointed out in 6.2 above.

The questionnaire was handed out to workers who were available to complete the questionnaire during the research period. Workers that where not available were not included as part of the research population. A total of 300 questionnaires were distributed in various areas. Only 12 completed questionnaires were returned to the researcher from the Eskom office in Vereeniging. This was due to an apparent lack of interest among the workers and management to complete

the questionnaires. Another 150 were distributed at Lethabo Power Station. Here the researcher received 102 completed questionnaires. During distribution, 4 of the questionnaires were given back to the researcher, because the respondents were not available to complete the questionnaires during the limited time allotted to complete the questionnaires. For the purpose of this study, the researcher used the 102 completed questionnaires.

The population that was available to complete the questionnaire comprised a total of 150 persons. A few (7) of the returned questionnaires were completed in such a way that they could not be used by the researcher. Thus only the remaining 95 questionnaires were used. The useable questionnaires returned to the researcher represent a respondent percentage of 63 percent. According to the researcher, the response is large enough to accept as a representative response. This conclusion is based on the experience of the two authors mentioned in the next paragraph.

In his research about to the role of labour relations in change management, affirmative action and diversity, Moolman (1996:232) accepts a response of 67 percent as representative of the target population. Calitz (1996:311) accepts a response percentage of 72 percent as representative in his study of worker participation. Based on this, the researcher accepted a response of 63 percent as a representative response.

6.5 PROCEDURE

The researcher distributed the questionnaires in co-operation with Mr. Petrus Segele. Each of the questionnaires had a cover letter that explained to the respondent the purpose of the questionnaire. The respondents were also given the assurance that they would remain anonymous. The researcher personally collected some questionnaires and some were forwarded to the office of Mr. Petrus Segele. The Statistical Consultation Service of the Potchefstroom University did the processing of the questionnaire. For this purpose the SAS computer packet was used to analyse and calculate the findings and also to process the questionnaire data (Appendix B). At the end of this chapter, attention will be given to the analysis and discussion of prominent findings of the empirical research. The correlation between the findings of the questionnaire and the theoretical basis will be done by means of cross-references.

6.6 ANALYSIS OF IMPORTANT FINDINGS

6.6.1 Biographical information of the respondents

The biographical characteristics where determined by analysing Section A of the questionnaire (Appendix A)

A AGE VARIATION OF RESPONDENTS

The age variation of respondents is outlined in table 16 below.

Table 16: Age variation of respondents

Age Group	Frequency	Percentage	Cumulative Frequency	Cumulative Percentage
24 years and younger	6	6.9	6	6.9
25 – 35 years	18	21.8	25	28.7
36 – 45 years	48	55.2	73	83.9
46 – 55 years	12	13.8	85	97.7
56 years and older	2	2.3	87	100.0

- 8 respondents did not mention their age.

Only 6 of the respondents were 24 years and younger. The majority of respondents fell in the age group between 36 and 45, representing 55.2 percent of the respondents. The age group 46 and older was represented by 16.1 percent of the respondents.

B GENDER AND HIGHEST QUALIFICATION

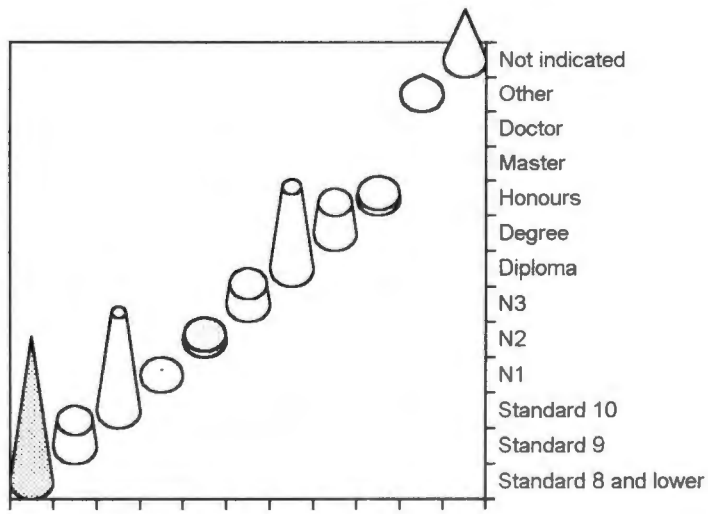
The respondents' gender and highest qualifications are outlined in table 17 on the next page.

Table 17: A summary of respondents' gender and highest qualification

CATEGORY	FREQUENCY (F)	PERCENTAGE (%)
Gender		
Male	63	79.7
Female	16	20.3
Not indicated	16	20.3
Highest Qualification	95	
St. 8 and lower	28	32.9
St. 9	5	5.9
St. 10	19	22.4
N1	1	1.2
N2	1	1.2
N3	4	4.7
Diploma	16	18.8
Degree	6	7.1
Honours degree	1	1.2
Masters degree		
Doctors degree		
Other	4	4.7
Not indicated	10	

The respondents' qualifications are graphically depicted in Figure 20 on the next page

Figure 20: Qualifications of respondents



Assumptions made with reference to table 17 above are the following: A total of 79 respondents indicated their gender. 79.8 percent of the respondents were male and 20.3 percent were female. The majority of the respondents were qualified. Respondents with standard 8 qualifications and lower totalled 32.9 percent. Four respondents indicated that they had N4/ N5 qualifications.

The researcher did not ask the respondents' race, for it could be seen as a form of unfair discrimination, given the political circumstances in South Africa.

C GROUP EMPLOYED

The groups where respondents were working and the distribution of respondents between these groups are indicated in table 18 below.

Table 18: Groups where respondents were working

Group		Frequency (F)	Percentage (%)
1.	Distribution	11	12.6
2.	Services	20	23.0
3.	Generation	46	52.9

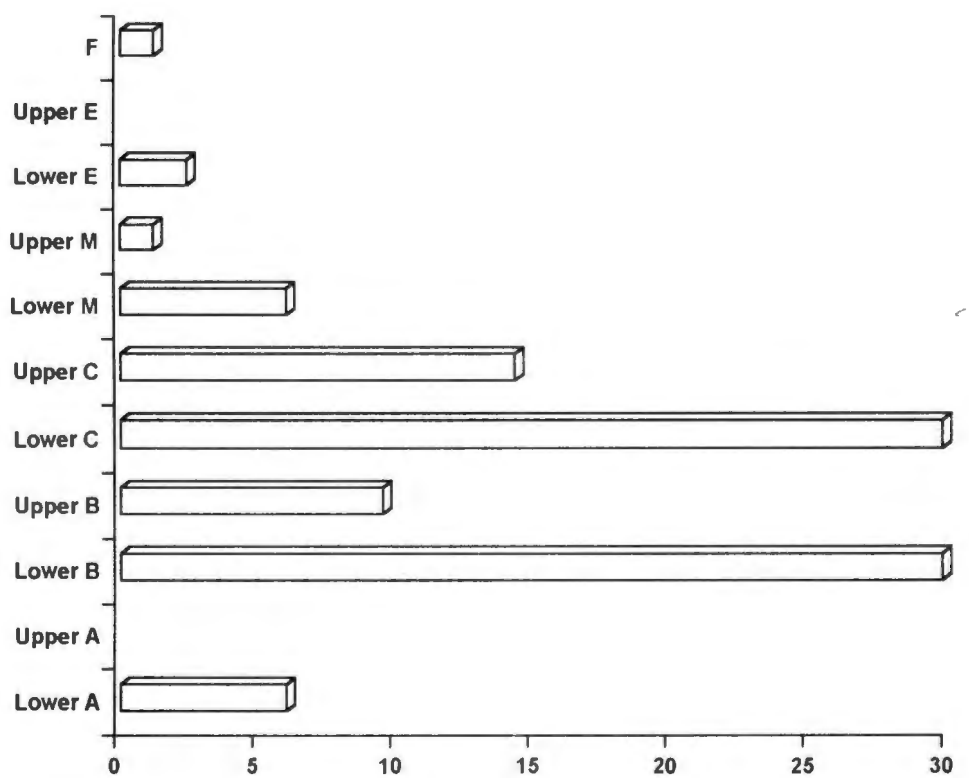
4.	Corporate affairs	1	1.1
5.	Marketing and Communication		
6.	Transmission	4	4.6
7.	Finance	3	3.4
8.	Human Resources	2	2.3

- 8 respondents did not indicate in which group they were working.

D JOB GRADINGS

The job grading of the respondents are graphically indicated in Figure 21 below.

Figure 21: Job grading of respondents



Job grading at Eskom is done according to the Patterson system, and it is clear from this graphic illustration that most of the respondents who answered the questionnaire were from lower B and lower C levels.

E CONTROL

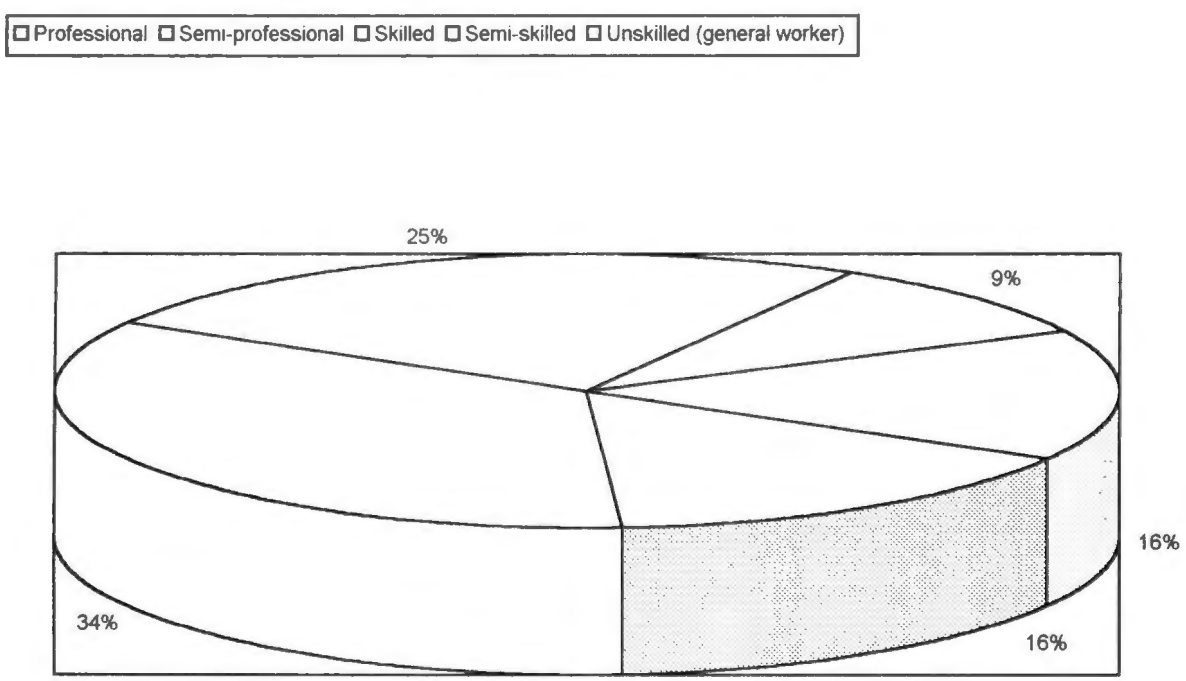
25 respondents indicated that they had sub-ordinates, compared to the 59 respondents that had no sub-ordinates. Eleven respondents did not answer this question. Compare Figure 22 for a graphic representation of the control system.

Table 19: Respondents with/ without sub-ordinates

	Frequency	Percentage
Yes	25	29.8
No	59	70.2

The 25 respondents who indicated that sub-ordinates report to them had to indicate in which category these sub-ordinates fell. The results are as follows:

Figure 22: The categories of the sub-ordinates



It is significant to observe that the 25 respondents, who had sub-ordinates under them, had more semi-skilled workers under them than unskilled workers. The researcher has made the assumption that the responses of this group of overseers were influenced by their particular

views of worker participation. These particular views were formed firstly through individual experiences and secondly through interaction with the preponderantly semi-skilled workers under them. Once again, the semi-skilled workers' view of worker participation assumedly differs from the view of unskilled workers.

F SERVICE YEARS AND YEARS IN CURRENT JOB POSITION

The number of service years in the employ of Eskom and the number of years that the respondents have been working in their current job position, are set out in tables 23 and 24 below.

Table 20: Number of service years in the employ of Eskom

Service years	Frequency (F)	Percentage %	Cumulative Frequency	Cumulative Percentage
Less than 1 year	4	4.7	4	4.7
1 – 2 years	5	5.9	9	10.6
3 – 4 years	3	3.5	12	14.1
5 – 10 years	16	18.8	28	32.9
11 - 15 years	8	8.4	36	42.4
16 - 20 years	35	41.2	71	83.5
More than 20 years	14	16.5	85	100.0

- 10 respondents did not indicate their service years

Table 21: Number of years in current job position

Number of Years	Frequency (F)	Percentage (%)	Cumulative Frequency	Cumulative Percentage
Less than 1 year	8	9.2	8	9.2
1 – 2 years	19	21.8	27	31.0
3 – 4 years	15	17.2	42	48.3
5 – 10 years	20	23.0	62	71.3
11 - 15 years	11	12.6	73	83.9
16 - 20 years	9	10 3	82	94
Longer than 20 years	5	5.7	87	100.0

- 8 respondents did not indicate their service years in their current job position.

G KNOWN CONCEPTS

The respondents had to indicate which concepts they understood, in order for the researcher to determine whether respondents understood the questionnaire.

Table 22: Known concepts

Concept	Frequency	Frequency Missing
Worker Participation	58	37
Co-determination	14	81
Worker Directors	14	81
Quality Circles	35	60
Teams	58	37
Team Briefing	46	49
Co-operatives	26	69
Employee-shared Ownership	27	68
Quality Worklife Programs	21	74
Self-management	45	50
Workplace Forums	43	52
Financial Participation	25	70
Welfare Schemes	30	65
Suggestion Schemes	35	60
Collective Bargaining	26	69

According to this table, the following concepts, namely worker participation, teams, team briefing, self-management and workplace forums, seem to be the best understood concepts. The majority of respondents did not understand the meaning of the concepts. The researcher can only express amazement about this finding as unions and other worker organisations show themselves to be so conscious about worker participation. Obviously neither the unions nor the employer educate or empower workers to understand the concepts or terms. This finding becomes more ironic as Eskom is known as an organisation who claims to be implementing employee participation on a large scale and with much success.

6.6.2 General impressions on worker participation

The researcher has investigated the general impression about employee participation among the workers, by stating some ideas that exist about the effects of employee participation on labour

relations. These are discussed below. See paragraph 3.14 regarding the viewpoints of various writers on the advantages and disadvantages of worker participation.

6.6.2.1 The advantages and disadvantages of worker participation

Table 23: Advantages of worker participation

Statements	Strongly Agree/ Agree	Strongly disagree/ Disagree	Do not know	Frequency Missing
The sharing of information that leads to trust	82	4	5	4
Workers are more flexible and willing to accept changes by management	77	13	2	3
Workers show more interest in their work	72	16	2	5
Have the ability to solve problems on their own	65	24	3	3
It leads to higher productivity	80	6	3	6
Leads to co-optation	51	20	17	7

Table 24: Disadvantages of worker participation

Statement	Strongly agree/ agree	Strongly disagree/ Disagree/	Do not know	Frequency Missing
Workers will manipulate decisions	42	45	5	3
It will not motivate them	34	49	5	7
Workers are unwilling to be accountable	32	50	10	3
Shareholders gain nothing out of worker	29	55	8	3
Participation have no long term	21	64	6	4
Participation is time consuming	24	56	4	11
Worker participation is an attempt	24	52	12	7

A comparison was made between results of the above question and question 5.10 where respondents had to name the advantages and disadvantages of worker participation from their own point of view. It is significant to observe that in answer to the above question (where respondents had to agree or disagree with the given advantages and disadvantages), the respondents rated the advantages much higher with a score of 427, compared to a score of 206 for the disadvantages. In answering question 5.10, however, respondents apparently did not distinguish between the advantages and disadvantages of employee participation.

6.6.2.2 The implementation of worker participation

Impressions formed on the implementation of worker participation are set out in table 25.

Table 25: Impressions on the implementation of worker participation

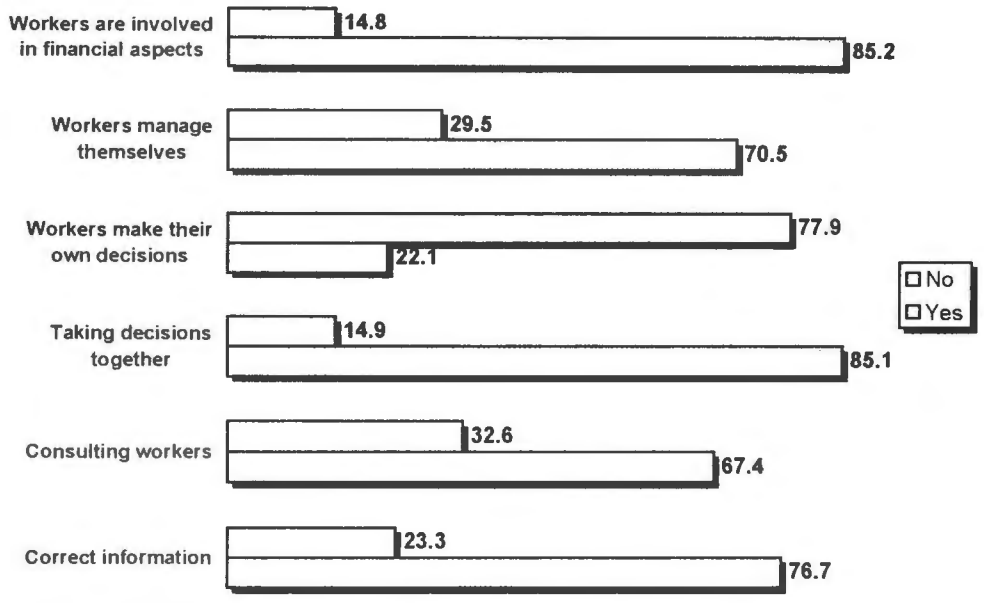
Statement	Strongly agree/	Strongly disagree/	Do not know	Frequency Missing
Worker participation should be restricted to the workers' work environment	34	46	6	9
Management must be compelled by legislation to consult with workers	51	32	5	7
It leads to increased union power and decreased management authority	31	48	9	7
Workers need to be assured that they will not lose their jobs	47	29	9	10
Workers need to be represented by a union during the participation process	45	36	6	8
Workers must receive additional compensation for suggestions	59	22	4	10
Workers must be directly involved in decisions instead of being represented	69	15	3	8
The cost of training rests on management	62	20	4	9

Various perceptions on the implementation of worker participation exist. See Chapters 4 and 5 for more information.

6.6.2.3 Ways of getting workers involved within the organisation

Figure 23 on the next page, graphically depicts the results of the questionnaire regarding ways to get workers involved with the organisation.

Figure 23: Involving workers in worker participation



More than half of the respondents (54 to be exact, or 62.8 percent) were of opinion that profit-sharing is a way of co-opting workers to prevent industrial conflict. Most respondents (94.3 percent) believed that financial information should be made available to workers to see how profits were calculated. According to 66 respondents, empowerment is the most important measure to ensure effective worker participation. 23 respondents were of a different opinion regarding empowerment, while 6 did not answer the question. A large number of respondents (78.2 percent) supported the idea that the organisation should assist workers financially by allowing them access to shares in the organisation. The union and management should be responsible for the cost of worker empowerment according to 70 respondents, that is 79.5 percent.

See paragraphs 3.8.2, 3.13 and 5.6.3 on empowerment in relation to participation.

6.6.3 The impact of worker participation on labour relations

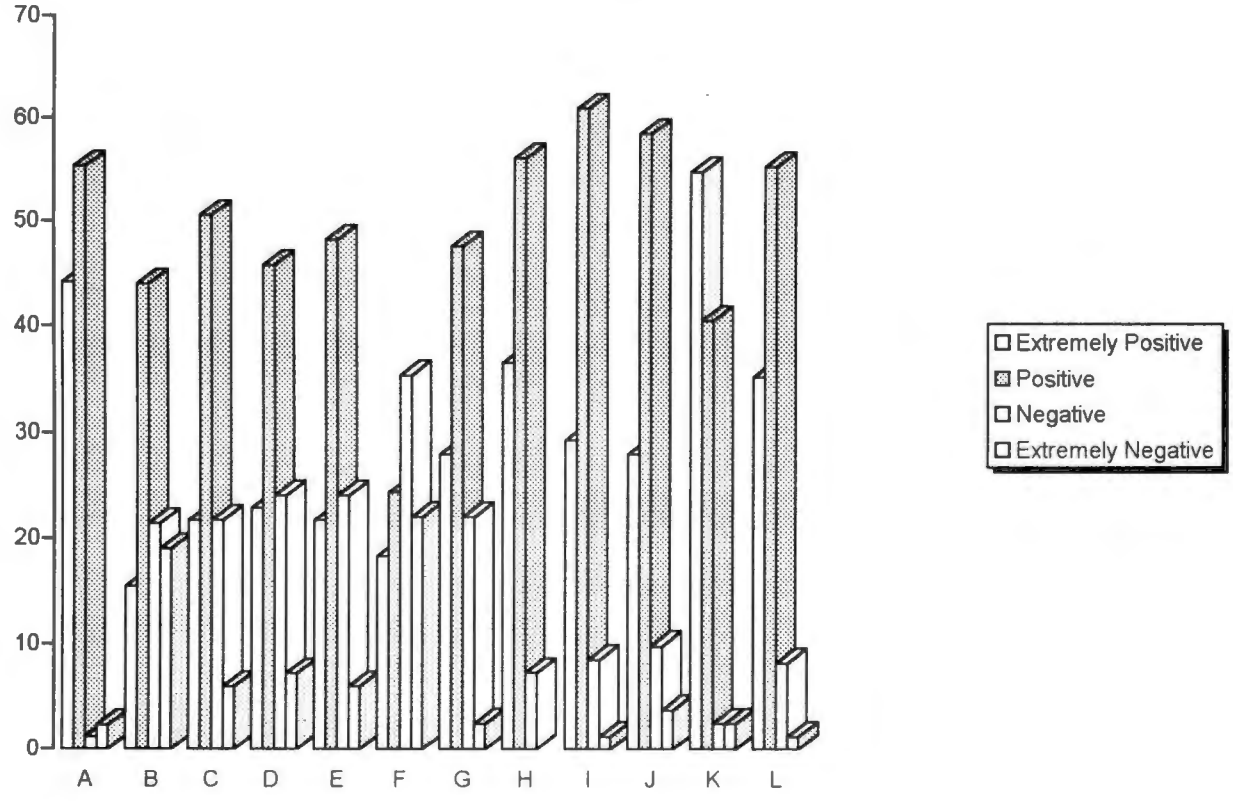
As discussed in paragraph 5.6, a great deal of restructuring is necessary in South African organisations in order to compete on the international market. The present labour relations climate in South Africa is characterised by an antagonism that restricts the urgently needed changes.

However, change in order to compete internationally is not the only reason why organisations should change. Organisations need to change in order to bring democracy to the workplace. As

mentioned in paragraph 5.5, the political climate goes hand in hand with the climate in the workplace in South Africa. The government, one of the three parties in the labour relations system (see figure 1), suggests that employee participation be enforced through labour legislation (paragraph 5.3) to solve the hostility in the workplace and to positively influence labour relations.

Respondents were asked to indicate what influence worker participation exerts on labour relations (question 34 of the questionnaire - Appendix A). The respondents' opinion was sought on 12 aspects pertaining to labour relations. See figure 24 for a graphic clarification of the respondents' opinion regarding these aspects. Respondents were asked to complete the questionnaire according to their opinions on a four-point scale, namely extremely positive, positive, negative and extremely negative. For the purpose of analysis the responses were reduced to two, namely "Positive", and "Negative", by clustering the positive and negative responses.

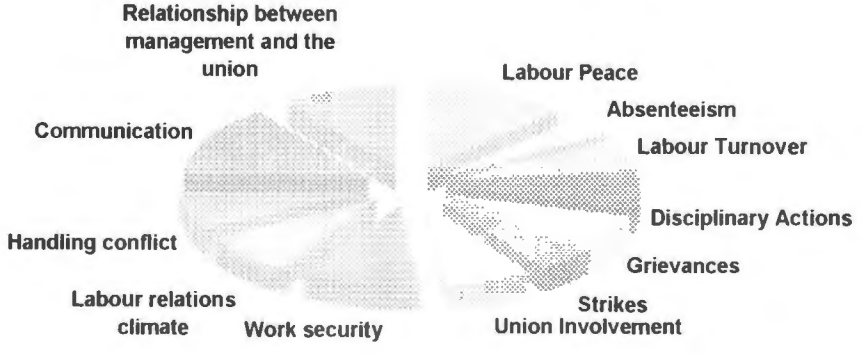
Figure 24: The effect of worker participation on labour relations (Question 34)



A = Labour peace
B = Absenteeism
C = Labour turnover
D = Disciplinary actions
E = Grievances
F = Strikes
G = Union involvement
H = Work security
I = Labour relations climate
J = Handling conflict
K = Communication
L = Relationship between management and the union

To determine which aspect of labour relations is influenced the most in a positive way through employee participation - according to the respondents' views - the researcher calculated the positive and extremely positive responses to get a total. From figure 24 it is derived that the respondents were of opinion that employee participation influences labour peace and communication the most. Both concepts calculated to a count of 80 positive responses and above. This is, however, contradicted by the opinion of the respondents that worker participation has the least positive effect on strikes. The calculated response comes to only 35 responses. According to the respondents, absenteeism is minimally affected by employee participation. The variations in the respondents' responses to the 12 aspects of worker participation can be read from figure 25.

Figure 25: Labour relations aspects



The results of question 34 causes the researcher to take a critical stance. The results may indicate that the respondents were influenced by a subjective belief that employee participation must have a positive effect on worker relations. When they had to quantify their belief, e.g. if the number of strikes really

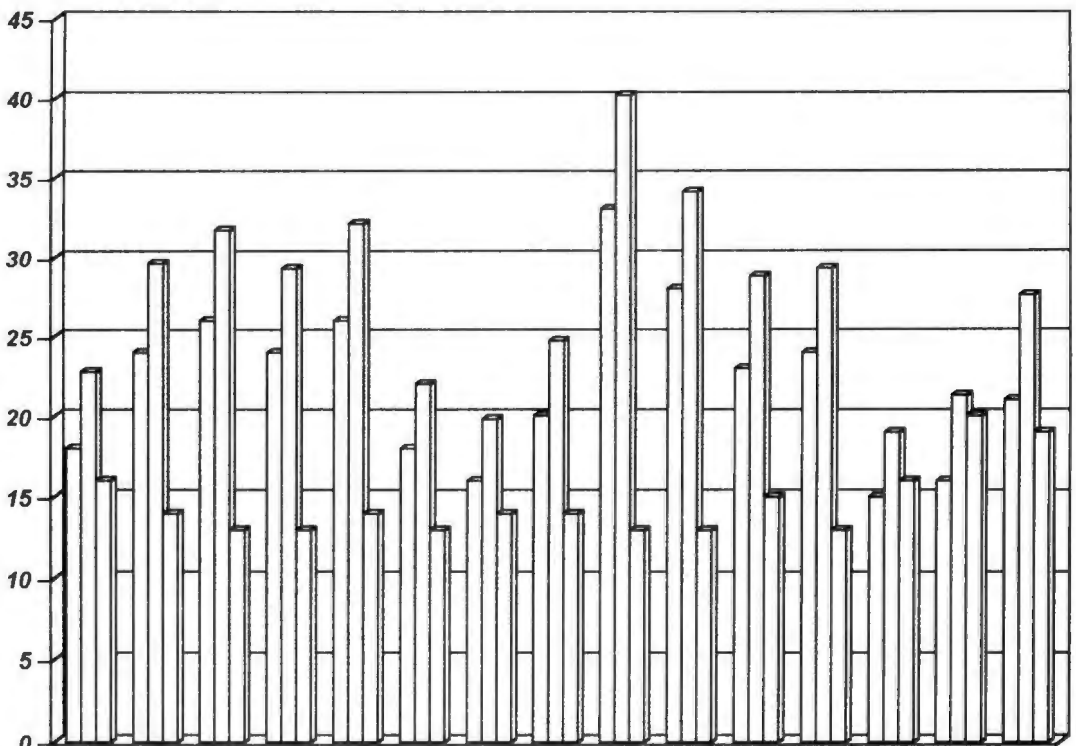
decreased, they could not quantify it. Hence the controversy between labour peace versus strikes. The researcher doubts the opinion of many South African authors that worker participation has a positive effect on labour relations, since it has been shown that this belief cannot be quantified.

The results of the questionnaire as depicted in figure 24 shows that 68.7 percent of the respondents shared the view that worker participation must have a positive effect on all aspects of labour relations. Their view must, however, be taken as an unproven belief.

6.6.4 Forms of worker participation

The various forms of employee participation schemes have been discussed in Chapter 4. In order to determine which forms are the most effective in bringing about substantial changes in the workplace, the respondents were requested to rearrange12 forms of worker participation from the most to the least important according to their opinion. Their opinion is graphically depicted in figure 24 above. Also see paragraph 3.2 on the theoretical identification of the various forms of employee participation as well as the discussion of the various forms of employee participation in Chapter 4.

Figure 26: The forms of worker participation that bring about substantial workplace changes



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Effectiveness	18	24	26	24	26	18	16	20	33	28	23	24	15	16	21
Percent	22.8	29.6	31.7	29.3	32.1	22	19.8	24.7	40.2	34.1	28.8	29.3	19	21.3	27.6
Frequency missing	16	14	13	13	14	13	14	14	13	13	15	13	16	20	19

In figure 26 the letters indicate the following:

A - Quality circles
B - Team briefing
C - Quality work life
D - Workplace forums
E - ESOPs
F - Worker teams
G - Suggestions
H - Joint consultative committees
I - Safety and health committees
J - Training and educational programmes
K - Collective bargaining
L - Disclosure of information
M - Union ownership
N - Worker directors
O - Co-operatives

According to the findings depicted in figure 26, it seems that the respondents viewed Safety an Health committees as the best method to bring about effective workplace changes. Safety and Health union and management, each taking a share.
committees, mutual training and education programmes should be handled by agreement between the

6.6.5 Effectiveness of co-determination in Eskom

In line with the German model of co-determination (see paragraphs 4.3.3.8 and 4.3.3.10 above), Eskom's management - while responsible and accountable for managing the commercialised utility - allows workers, either directly or through representatives, to meaningfully influence management decisions affecting them.

However, Khumalo (1995:37) is of opinion that management and organised labour at Eskom are not involved in co-management or joint decision-making.

Management has the responsibility and accountability to manage the business and to take decisions once unions/ workers have been allowed to meaningfully influence those decisions. Unions/ workers have the right to declare a dispute if they are not satisfied with the decisions. The mainstay of the new culture of human resource management in Eskom is the organisational development (OD)-driven partnership (Khumalo, 1995:37).

A significant feature of the Eskom model is that the workers/ union are no longer subservient to management. All stakeholders are jointly engaged through a partnership to achieve world-class performance. Co-determination in Eskom theoretically upholds the principles of worker empowerment as espoused by the RDP. The participation structure that exists in Eskom supports workplace democratisation.

Mantashe (1994:110) warns against the following dangers lurking in Eskom's brand of co-determination:

- The distinction between the constituency of labour representatives and the constituency of capital representatives will become less clear by integrating them into a single structure;
- The militancy of labour can be weakened by encouraging workers to become owners to a limited degree through owning shares in the organisation; and

- Labour will become the weaker partner in the relationship if they put "national interests" before their "narrow constituency interests".

Mantashe (1994:110) is of opinion that any worker participation in Eskom must have the objective of ultimately empowering workers. To determine whether the co-determination process empowers workers, the researcher focused in section C of the questionnaire on the individual worker and his/ her workplace. The results are indicated in tables 26 and 27.

Table 26: Co-determination as a process of empowerment

Statement	Strongly Agree	Agree	Differ	Strongly Differ	Frequency Missing
Significance of work for organization	52	30	1	3	9
Requirement of various skills	48	29	8	1	9
Make decisions on how to do work	39	33	8	6	9
Efficient access to correct information	18	44	16	8	9
Sufficient power to act on own accord	19	42	13	10	11
Existing relation between remuneration and organisational success	13	29	29	15	9
Receive efficient training to do work	22	49	11	4	9
Freedom of expressing one's viewpoint	26	41	12	6	10
Management consults the worker	11	27	26	21	10
Opportunity to make decisions on aspects that influence work directly	14	40	19	12	10
Management continuously gets participation of workers in decision-making	6	36	37	7	9
Workers are accountable for decisions	5	42	33	6	9
Quality of work is 100%	11	15	39	20	10
Management believe in workers' ability to examine their own work	12	37	29	6	11
What their vision is, and what they should achieve	19	38	26	3	9
Team members have sufficient skills and knowledge to perform their work effectively	19	38	27	2	9
Everyone is informed about successes, faults/ failures and client reports	13	34	32	6	10

Concerning question 53, 31.3 percent of the respondents described their working environment as an environment where management first consults subordinates before they make collective decisions. About a third (30 percent) of the respondents described their working environment as an environment where management or supervisors and subordinates make decisions collectively. According to 22.5 percent of the respondents, management forces decisions down on them, while 11.3 percent said that management and unions make decisions collectively. Only 5 percent said that subordinates have the power to make decisions on their own. Fifteen respondents did not answer this question. From table 27 and question 53, the assumption can be made that co-

determination as a process of empowering the worker in his workplace have been implemented with much success at Lethabo Power Station. This last assumption is further supported by the findings about participative schemes set out in table 27 below.

Table 27: Participative schemes in the process of empowerment

	STATUS	Yes	No	Don't Know	Frequency Missing
Suggestion Schemes	Damaging the moral in the workgroup	24	43	10	18
	Encourages competition between workgroup members	60	11	9	15
	Leads to substantial differentials in financial rewards	24	20	27	24
Gain-sharing /financial participation	Breaks down the "we-they" syndrome	42	16	17	20
	Draws workers into teams	56	14	5	20
	Promotes team effort	61	10	8	16
Worker Participation	Increases identification and commitment	65	7	8	15
	Increases co-operation	64	4	5	22
	Establishes consciousness of business needs	61	9	7	18
	Attracts and retains key staff	46	15	16	18
Co-determination	Undermine worker solidarity	19	24	26	26
	Disarms workers by sacrificing the right to strike	27	17	26	25
	Undermines the struggle for jobs	27	18	24	26
	Undermines the struggle for socialism	27	13	30	25
Quality Circles	Improves problem solving	71	5	7	12
	Raises quality and enhanced output and productivity	67	7	8	13
	Leads to training of individuals	63	11	9	12
	Leads to the sharing of information	71	5	7	12
	Leads to worker empowerment	65	8	10	12
Worker directors	Reduction in conflict	53	10	18	14
	Raised employee awareness of problems	53	11	15	16
	Improves commitment	52	11	16	16
	Less resistance to management decisions	49	10	20	16
	Improves decision making	49	10	18	18
	Assistance of unions to prepare campaigns	26	27	26	16

The researcher refers to question 34 of the questionnaire and the assumption that was made that worker participation's positive effect on labour relations could be quantified. In contrast, section C of the questionnaire leads the researcher to the conclusion that worker participation does have a positive effect on empowering the individual worker. This is the case because section C of the

questionnaire was based on the individual respondent's experience of empowerment. See paragraph 5.6.3 on empowerment of the worker.

6.6.6 Personal opinion on the current success of worker participation in Eskom

This section of the questionnaire (see section D, question 55) is composed of two parts. Part I applies to all grading groups and Part II to groups F, Upper E, Upper M, and Lower M.

6.6.6.1 Political aspirations of workers (see paragraph 3.4.3.2)

Because of a history of political unrest among the workers of Eskom, the researcher wanted to ascertain whether the political context had an adverse effect on collective bargaining. 72.7 percent of the respondents answered affirmatively and said that political issues are pursued rather than issues pertaining to their work. Workers still see management as the opposition who wants to exploit them. Most trade unions still pursue a political ideology that originated in conflict with the regime before May 1994. The unions see political organisations as their allies. (See paragraphs 4.3.3.5 and 5.5.3). Twenty-nine respondents did not answer the question.

6.6.6.2 Information and consultation (see paragraph 4.3.1)

In answer to question 55.2, 82 percent of the respondents said that workers need to have access to and receive information regarding all aspects that directly affect them and their future. Examples of aspects workers want information on from management, were the following: profits and losses, productivity, organisational goals, health and safety, expansion of the organisation, training of workers, sales made per annum, the future of the organisation, etc.

6.6.6.3 Workplace Forums (see paragraph 4.3.3)

As workplace forums were implemented at Eskom, the researcher focused on certain aspects of workplace forums. In answer to question 55.3, 46 respondents answered that the workplace forums did indeed improve communication to such an extent that workers at the time of the study possessed more knowledge about decisions being taken by management. According to 30 other respondents, workers were still uninformed as far as workplace forums are concerned. Some felt that even when decisions are taken through workplace forums, the decisions are not communicated to the workers, and workers may sometimes still need more clarity on issues. Other complaints were that no major decisions are taken through workplace forums. Workers hear of decisions long after they were made.

Some supervisors only share information as far as it suits them. Nineteen respondents did not answer this question.

In answering question 55.4, 89 percent of the respondents indicated that workplace forums are a way of co-opting workers, in that:

- workplace forums increase trust between workers and management;
- workers are motivated;
- workers are empowered in that more responsibility are assigned to them;
- workplace forums are a medium for exerting meaningful influence and this can improve industrial peace;
- information is shared;
- either unions or management can table important issues and suggestions can be made;
- misunderstandings can be dealt with;
- opportunities are created whereby workers from different sections meet regarding mutual issues; and
- everyone can voice his or her opinion.

A small percentage (10.6 percent) of the respondents indicated that workplace forums are only implemented for the sake of complying with the prescriptions of labour law; they are merely a way whereby management brings issues for "rubber stamping" and management can still make decisions even if there is gross dissatisfaction. Workers need training and education to participate effectively in the workplace forums, according to 64 respondents. Statements to support their view were given, such as:

- People lack communication skills. After decisions have been taken, they complain or ask questions, but remain silent at the workplace forums;
- People need to understand the proper guidelines of how a workplace forum works; and
- Workers need to have in-depth knowledge of issues being discussed at forums.

Twelve respondents answered negatively. For these 12 respondents training and education is a waste of time. According to them, workplace forums can be successful if everyone attends the forum, so that they can contribute to the decisions, without being trained and educated. Workplace forums are suspected of being a form of brainwashing to make them think along the same lines as management does and workplace forums will kill creativity. They also mentioned that there is no need to train workers in subjects that are not related to the business of the organisation.

It is clear from the answers to the last three questions that most of the respondents support workplace forums and that they are implemented with much success. Still, the researcher would like to point out that the issues mentioned by those respondents that answered negatively carry weight and that attention should be given to these objections about workplace forums.

6.6.6.4 Financial Participation

In paragraph 4.3.8 financial participation was discussed. Results showed that workers feel they should participate in the financial matters of the organisation - 84 percent of the respondents supported the idea, giving the following reasons for their response:

- Through their work they help the organisation to make profit;
- They will be more motivated if they receive a bonus for their effort;
- The lowest worker on the floor must know how his work impacts the profits, and thus be given freedom to explore means of executing their tasks to improve the organisational profits;
- Workers will feel responsible for decisions that will influence the profits of the organisation;
- It can lead to savings, in that the workers will safeguard management from spending money unnecessarily;
- Financial matters affect their quality of life and job security;
- It will make workers aware of overspending or overdemanding;
- Ideas from workers can save more money than decisions on financial matters taken by management alone; and
- Uninformed workers will spread rumours that management uses money for their own benefit.

There were 15.8 percent respondents who opposed employee participation in financial matters, saying that it could lead to the downfall of the organisation. Workers should be informed about financial matters, but should not be given a say in the management of financial affairs. Workers lack knowledge and skills in the management of finances. Not everybody can be held accountable for financial decisions. It can cause conflict between workers when their performance is related to their remuneration. Salaries of workers will decrease when it is a "bad" year for the organisation and most workers will not accept it. One opinion was that money never was a motivation.

In answer to question 55.7, 61 respondents indicated they believed that they would stand to earn more money and would be motivated to contribute to increased productivity through financial participation.

It was clear from the responses that most respondents confused question 55.6 and 55.7. The researcher also noticed that most respondents saw financial participation as being informed about financial matters, and not helping to make decisions on financial aspects.

6.6.6.5 Worker Participation

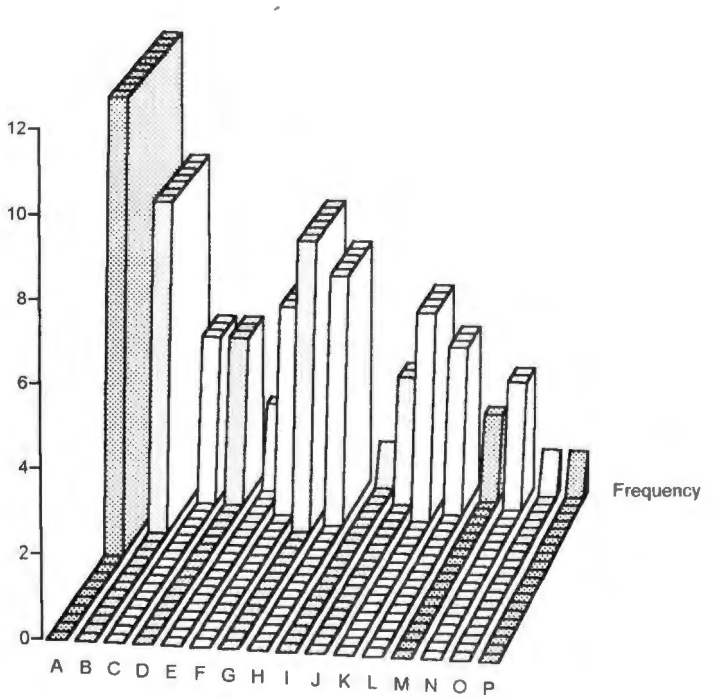
As far as conditions under which worker participation will succeed in the workplace is concerned, 60.5% of the respondents gave their opinion. The results are given in table 28.

Table 28: Elements for effective worker participation

Worker participation will succeed in the workplace ...	Respondents
When workers receive more money	2
When suggestion boxes' purpose is not to silence the workers, but for suggestions to be looked at by management and feedback is given to workers, irrespective of the results	3
When decisions which override workers' opinions are properly explained	6
When management is keen to except workers' decisions	5
When both parties take part in decision-making	6
When workers' opinions are taken seriously by management	2
When rewards are not the basis for their participation	1
When everyone is kept positive and motivated	3
When there is delegation of tasks, in other words empowerment of workers, because it ensures trust	2
When all the workers know the nature of their task and have clarified roles	4
When everyone understands productivity and the customer's needs	1
When management does not enforce decisions that will negatively influence workers	6
When training and education is provided to the workers	3
When communication and consultation with all the workers have been established	1
When moral support from management to the workers is given	1
Total respondents	46

88 percent of all respondents answering question 55.9 said that worker participation should be implemented on all levels (see paragraph 3.3). In figure 27 the advantages given by the respondents in answer to question 5.10 are graphically depicted. See paragraph 4.2 for a model of effective implementation of participative schemes.

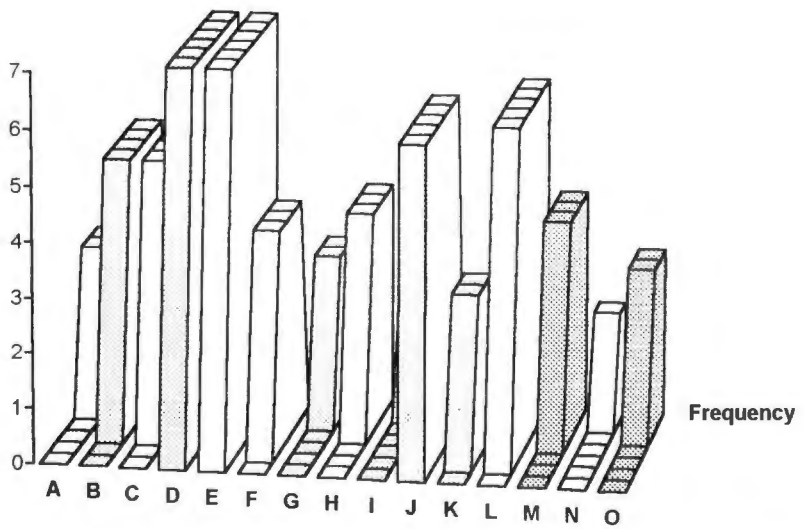
Figure 27: Identified advantages of worker participation (see paragraph 3.14)



A = increased productivity
B = creates mutual understanding between workers and management
C = workers are more positive
D = leaders develop
E = workers feel recognised and are committed to the organisation
F = opinions are shared and eliminate possible conflict
G = better co-operation between A and M bands
H = workers get firsthand information
I = workers get freedom of expression
J = strikes decrease
K = less resistance to changes
L = worker satisfaction
M = reduces rumours or grape vine effect
N = management gains knowledge of conditions of workers and workplace on the shopfloor
O = group cohesion

P = workers understand the needs and procedures that govern the organisation

Figure 28: Identified disadvantages (see paragraph 3.14)



A = misinformed decisions regarding the vision and mission of the organisation

B = workers feel frustrated when their opinions are continuously being disregarded

C = management may not fully endorse critical decision-making that is beneficial to the organisation

D = workers are not willing to accept accountability and responsibility for organisational losses through bad decision-making

E = it takes longer to learn why bad suggestions were not considered

F = the process of participation is not explained clearly to the workers and they can thus not participate effectively

G = workers can over-react to some of the decisions

H = workers sometimes spread rumours

I = workers/ management will take advantage of each other

J = management feels threatened by workers

K = it is time consuming

L = it is difficult to please or to accommodate everybody's opinion or idea. Thus, it becomes more difficult to reach consensus

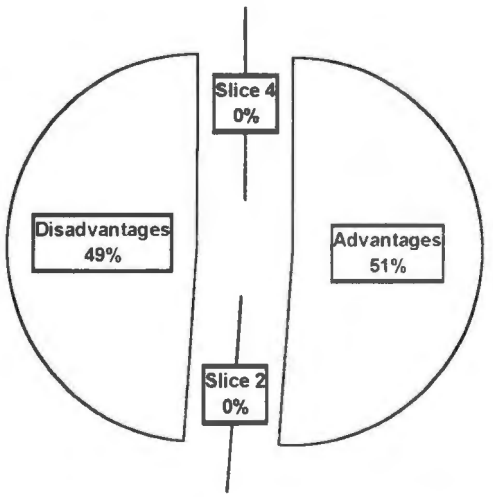
M = creating unrealistic expectations among workers that their opinion will always be expected.

N = most of the time management is held ransom due to own personal reasons by labour

O = production suffers great losses due to meetings being held during office hours

The advantages and disadvantages given in answer to question 5.10 compare almost equally in that 67 respondents indicated advantages while 64 respondents indicated disadvantages as indicated in figure 29.

Figure 29: Comparison between the advantages vs. the disadvantages



58 respondents were of opinion that employee participation has led to higher productivity and profits, as well as improved client services and worker harmony (see question 5.11). Twenty-nine respondents did not answer this question, while eight respondents answered negatively. The researcher would like to point out that although 58 respondents answered positively, they could not quantify their answer. This supports the researcher's finding that it is a mere assumption that employee participation has positive results as the results could not be stated in quantifiable terms.

From the respondents' opinions, it is clear that no great difference was perceived in the number of advantages versus the number of disadvantages of worker participation.

In ascertaining what type of decisions should be included in employee participation, the results were as depicted in table 29 on the next page.

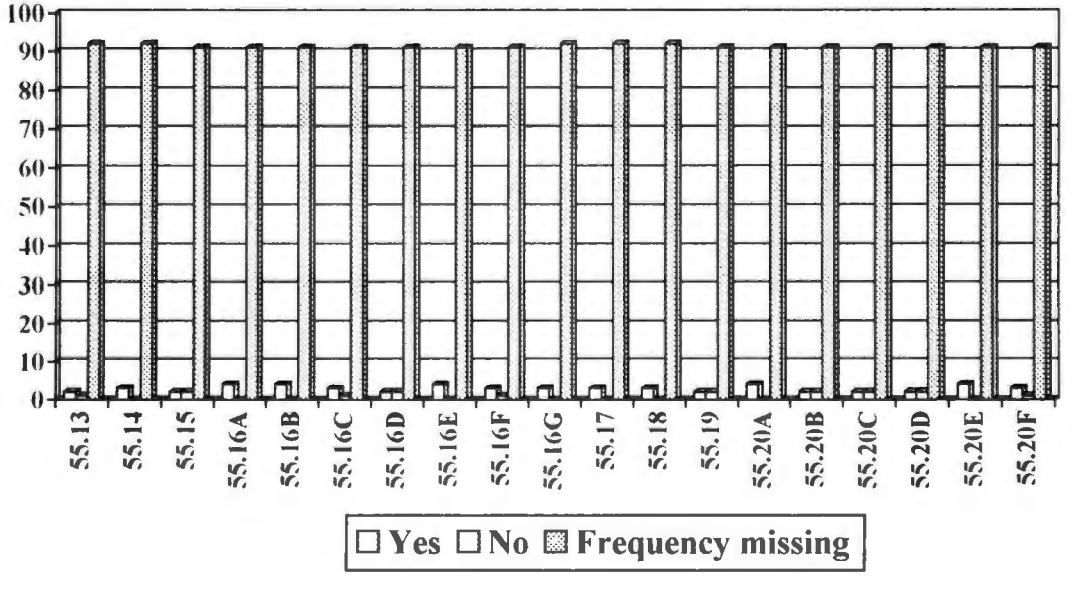
Table 29: Decisions included in worker participation (see paragraph 3.4.2)

Type of Decisions	Yes	No	Frequency missing
Co-business issues	29	26	40
Bread and butter issues	51	7	37
Direct working issues	63	3	29

According to table 29, it appears that direct working issues and bread and butter issues are the most important decisions that should be involved in worker participation. The researcher has made the assumption that workers in South Africa does not want to manage the organisation as a whole, but definitively the part of the organisation that influences their wellbeing. Some respondents supported this assumption by stating that workers feel more secure and comfortable if their immediate needs are being met. Workers at lower levels will be less concerned with investments. Issues at the higher levels of the organisation become complicated to the workers at the lower level. See paragraph 3.3 on the levels of employee participation and paragraph 3.4.2 on the areas of decision-making.

Part two was only answered by respondents from groups F, Upper E, Lower E, Upper M, and Lower M. The results can be seen in figure 30. There were only four respondents from these groups, which explains the constant frequency missing of 91 respondents. The assumption can therefore be made that the rest of the respondents where from the lower grading groups.

Figure 30: Personal opinions of groups F, Upper E, Lower E, Upper M and Lower M



6.7 SUMMARY

The purpose of this study is to determine the effect of worker participation as a form of social change on labour relations. An empirical research has been undertaken at different levels at Lethabo Power Station. In this chapter, an attempt was made to analyse and explain the findings against the theoretical background, so that assumptions relating to the purpose of this study, could be made.

The following findings were made from the statistical results of the questionnaire:

- Legislation should compel managers to implement employee participation schemes;
- Union power increases in the process and management's power decrease;
- Workers need to be secure of their jobs when they give their personal opinion to management;
- Workers want to be represented by unions, but also feel that they want to be directly involved in decision-making;
- Workers want to be compensated for their suggestions in decision-making;
- The cost of training should be shared by management and the union;
- Workers want to have insight in financial data as this will prevent conflict;
- Management must provide financially for workers to buy shares;
- Although the workers believe that employee participation has a positive effect on labour peace and communication between the workforce and management, they cannot quantify it, and it seems that employee participation has less effect on the amount of strikes;
- Safety and Health committees were identified as the most effective scheme through which workplace change happens;
- It has been identified that political aspects dominate collective bargaining;
- Workers need to be informed and consulted in the making of decisions;
- Employee participation is a medium for meaningful influence that motivates workers and empowers them;
- Workers are positive about workplace forums, but say that they need to be educated so that workplace forums can function effectively;
- Workers want to be involved in financial aspects, but do not want to be accountable for any decisions that lead to losses;
- Decisions concerning direct work issues and bread and butter issues where identified as the most important issues in which workers want to partake;
- All levels should be covered through worker participation; and
- There seems to be as much disadvantages as there are advantages to worker participation.

It is thus clear that even though much theoretical knowledge about employee participation's positive effects may exist, the positive effects need to be quantified in practice. The researcher believes that worker participation will not lead to labour peace or a minimizing of strikes, but that it is meaningful as it leads to worker empowerment.

CHAPTER 7

RECAPITULATIVE ASSUMPTIONS, SUGGESTIONS AND REMARKS

The purpose of this chapter is to make a final determination of the effect of employee participation as a form of social change and its effect on labour relations. Attention will be given to the assumptions made during the study in the form of remarks and suggestions. The results of the research will be summarized firstly by giving a review of the introduction and theoretical background. Thereafter the different purposes of the research and the degree to which the aims of this study have been reached, will be examined.

7.1 REVIEW OF THE INTRODUCTION AND THEORETICAL COMPONENTS

In Chapter 1 it was stated that political changes in South Africa has led to the extension of worker participation in order to bring about workplace democracy. Worker participation as a form of economic growth and social change has been investigated. Democratisation aims at a partnership between economic growth and social change in the organization. The democratisation of the economic life should firstly result in far-reaching participation of the workers in the development of the organization and secondly result in a strong interest across the board in the efficiency of work of the organization. Democratisation of the organization means that the workers elect representatives who act on their behalf (Miles, 1996a:37).

Democratisation puts great pressure on organizations to adapt effectively to these changes; firstly, they must choose the correct participative scheme, and secondly, they must empower workers so that they will be responsible and accountable for decision-making. Different views and perceptions exist among management and the workforce concerning the real meaning of worker participation. Some see worker participation as a means of extending democracy and equality in the political sense to the workplace, while others view it as a method to bring about higher productivity and competitiveness in the market.

The researcher is of opinion that the implementation of worker participation does not necessarily lead to improved productivity and healthier labour relations. However, as Emery (1995:7) said, where organizations utilise the full potential of their workforce, they function more effectively than organizations that have only good leaders and no participation of the total workforce. It is said that the general mistake made by South African management is that they have traditionally restricted worker

participation to task-centered structures and processes. Hence, management has been keen to promote green areas, quality circles, work teams, etc.

When it comes to policy issues, however, this is seen as the prerogative of management. Chapter 2 focus on theoretical perspectives and approaches, studying various authors' opinions on the practice of worker participation as a form of social change in an organization as an open system; the effect of various organization theories and democratic theories on the organization. Seeing organizations as an open system, the focus falls on its ability to adapt effectively to changes in its environment and to attain a state of equilibrium. In terms of the South African situation, organizations that are trapped in the process of social change, struggle with this problem. A desire developed for co-operation between management and the workforce. The co-operation implies a mechanism through which labour relations can be integrated in such a way that conflict of interest will be limited. Workplace democracy was not a concept used previously in labour relations in South Africa, but along with the political changes since 1994, workers became more aware of their rights. Therefore new the Labour Legislation makes provision for worker participation in forms such as workplace forums.

Chapter 3 attempts to identify the implications of worker participation. The researcher studied forms of worker participation; the organizational levels at which worker participation can be implemented and areas of joint decision-making. The objectives of worker participation can either be ethical/ moral, socio-political, economic or judicial. In terms of South African organizations, the researcher is of opinion that the socio-political objectives of worker participation outweigh other objectives, although the other objectives cannot be ruled out where worker participation is implemented. Arising from economic motives like improving productivity and organizational effectiveness, the implementation of worker participation may have as its side-effects motivation and satisfaction of workers, acceptance of change by the workers, solving of worker's problems and better communication between the workforce and management. It became clear that various opinions and perceptions on worker participation exist and that factors such as legislation, agreements, training, education and information all have the possibility of promoting the introduction of worker participation.

In Chapter 4, the researcher examined the characteristics of various participative schemes to learn whether participative schemes have the desired effect on the working environment. Participative schemes that were examined, were information and consultation, collective bargaining, workplace forums, teams and job enrichment, team briefing, quality circles, quality-work life programs, different types of financial participation and worker directors. The purpose of Chapter 4 was to make management aware of the possibilities of participative schemes for attaining workplace democracy.

Workplace democracy in South Africa is characterised by workers' aspirations for greater involvement in decisions. More involvement in decisions happens through worker empowerment and participative schemes. Empowerment is an essential element in workplace democracy. The role of political changes is discussed in Chapter 5. During the 1994 elections in South Africa a new process started in which the roles of the three parties involved in labour relations - employer, employee and the state - changed dramatically. It appears that the workforce has gained more power while management's power has been restricted. The assumption can safely be made that where the demands of the workforce are not adequately met, they will use their union-based alliance with government to pressurize management. It seems unlikely that such an approach will keep on producing results. The history of the formerly socialist Eastern European states is a telling witness that economies' ability to tolerate interference by the state and workers is limited. The objective of the alliance between the ANC/ SACP/ COSATU in the past was to abolish apartheid in all spheres of society, but since the elections this alliance had to change it's objective to meet economic realities. Under the ANC government, differences in objectives and interests already appear that causes conflict between the ANC/ SACP/ COSATU.

The implementation of worker participation, its effect on the workplace and the perception of management and the workforce at Eskom are investigated by using a questionnaire (Appendix A) through which responses at various employee levels could be obtained. The rationale behind this research method is the researcher's desire to quantify the results of worker participation in the workplace. The results, assumptions and information tendered by the respondents through the questionnaires are discussed in Chapter 6.

7.2 THE PURPOSE OF THE STUDY

The primary purpose of the study is to give a clear understanding of what labour participation implies in the process of bringing democracy to the workplace; how it should be implemented in the South African context, and to offer some suggestions for the preventing and overcoming of problems that may possibly stem from the implementation of worker participation.

The dialectic relation between purpose and result must be discussed in a study like this. The results of the empirical research are compared with the supportive aims as an aid to formulating suggestions regarding the effective implementation of worker participation in the workplace in such a way that it ensures healthy and stable labour relations.

7.2.1 AIM 1: Practicing of worker participation within the organization as an open system and the effect of organizational theories on worker participation

As discussed in Chapter 2 (see paragraph 2.7.4), it is possible to view an organization as an open system, which is influenced by changes in its external environment. Compare chapter 3 for the inter-dependent parts of an open system and the environment within which these parts function. The researcher's firm opinion is that the system theory is the most suitable theory to be applied in the study of worker participation as an organizational intervention.

The open system theory explains the implementation of worker participation as an attempt to attain equilibrium between the different inter-dependent parts. The equilibrium was upset as the result of conflict of interest between the parts of the system. (See the theory on pluralism paragraph 2.6.2). Management prerogatives are seen as a manifestation of differences in power and thus tend to upset the equilibrium. The term "prerogative" does not always imply a negative power balance. According to Miles (1996a:38), management should have prerogatives, for they are responsible and liable for running the organization, for making profits, for steering the company strategically and for making financial decisions which affect the viability of the organization. Trade unions have prerogatives as well. Both corporate management and the unions must acknowledge the existence of justifiable prerogatives that comes as part of the responsibility parcel. (Table 22).

The researcher is of opinion that the explanation of a social change by Parsons (see paragraph 2.4.2) is significant in the analysis of the implementation of worker participation. Worker participation implies the inclusion of workers in decision-making - previously the sole prerogative of management - so that workers may share in the responsibility and contribute to the functioning of the organization. A major change in respective roles of management and workforce is necessary.

Organizations in South Africa have been tremendously influenced by the political changes (external environment) to bring about workplace democracy through worker participation. It is therefore mandatory to examine at least some of the theories on democracy. The general belief is that workplace democracy implies power equality. Schuitema (paragraph 2.4.1, supra) assumes, however, that the function of power in a relationship is to empower. To achieve equality of power will abolish all empowerment. According to authors such as Rousseau (paragraph 2.5.1, supra) interdependence should exist between individuals; otherwise they will be powerless without the co-operation of other individuals. Rousseau holds the opinion that through participation in decision-making people are educated and participation gives a feeling of belonging to the individual. Maslow's theory is incorporated in Rousseau's opinion.

Many authors hold Maslow's theory as the primary motivation for the implementation of worker participation. The theory of worker participation is justified in claiming that through worker participation the individual's needs are met according to Maslow's theory, for instance the need for self-actualisation. (See paragraph 2.8.3.1).

At the beginning of the nineteen-nineties, significant changes occurred in organizational theories in that they increasingly started to focus on human relations and the improvement of human resources.

The researcher extended the field of research to various schools of thought on worker participation:

- Taylor (1911:128) was a supporter of worker participation and is of the opinion that workers should be motivated to make suggestions on how work should be done. Suggestions of workers should be investigated and a series of experiments, if necessary, should be conducted to determine if a suggestion leads to improvement on the current method. If a new suggestion improves a current method, it must be applied through the whole organization. The worker should also receive a cash reward for his contribution. The researcher's opinion is that the rewarding of a worker should be seen as a form of financial participation. (See paragraph 4.3.8).
- Elton Mayo (1945:73) believes it is essential that work groups exist in an organization and that work groups should be allowed to freely participate in organizational activities. (See paragraph 2.8.2.1).
- McGregor (1960:130) points out that worker participation creates opportunities for workers to exercise influence on decisions that influence them according to the statements of Theory Y. (See paragraph 2.8.3.2).
- Schein (1980:194) initiated various studies on worker participation. (See paragraph for a discussion of the Tavistock socio-technical model).

Although theoretical perspectives and approaches are sciences that studies the design and structure of organization, it does - according to the researcher – provide significant information on how worker participation can be implemented to bring about effective workplace change. Management and the workforce need to understand that in order to effectively implement worker participation, they should first determine their goals. For whatever the purpose may be, it is important to keep in mind that the organization is an open system that interacts with its environment. In planning an effective strategy, they need to take into account how worker participation will affect the organization as a whole as well as the effect on the environment.

Suggestion:

It is important that both management and the workforce realise that workplace democracy is not the abolishment of power, but the recognition of power, in order to be empowered. It is important to realise that management and workers hold the keys to mutual empowerment for the good of both. To accomplish empowerment, both parties must depart from their traditional rivalry, whilst working towards a state of openness in a climate conducive to learning.

7.2.2 AIM 2: The dynamics of the field of worker participation

Direct participation takes place on an individual level, face to face between workers and management. Although indirect participation happens where workers participate via representatives, it still is participation. Direct and indirect participation must be distinguished from financial participation where a worker's income and/ or rewards are bound to the success of the organization. (See paragraph 3.2).

Participation can be either partial or total. The difference lies in the power factor. Where power is not equally shared between workers and management, workers can only influence decisions. Where the workers cannot share in making decisions, they participate partially. Power seems to be the determining factor in decision-making.

Worker participation can be practiced on various levels within the organization. (See question 55.8). Bendix (1996:553) is of opinion that the level on which worker participation is implemented in an organization depends on whether the participation is task or power centered. Task centered participation refers to co-operative organization and planning of work processes alone, while the more encompassing power centered participation involves the sharing of power. Power centered participation involves workers in decision-making over aspects that encompass the organization as a whole. (See paragraph 3.4). Compare the discussion of McLagan and Nel (1985:189), Figure 12 and of Anstey (1990:6) and Figure 11. Nearly all of the respondents (88%) said that worker participation should be applied to all levels of the organization. (See Questionnaire - Appendix A)

The researcher holds the opinion that the person who does the job often has the best knowledge of the work to be done, and therefore has the relevant expertise to solve problems and improve work methods. Respondents feel the strongest about being involved in direct working- and bread and butter issues that affect their daily lives (table 29). Participation in decisions concerning the worker's immediate working conditions can be significant. The respondents at lower organizational levels are not concerned about higher level issues, they are just concerned about the fact that their basic needs are met, for this provides them with security.

Communication is improved by participation during problem-solving in that workers learn how other jobs are done and how to co-ordinate efforts to work together better. Taking part in decisions can significantly increase employees' knowledge about the overall operation of the organization. It can facilitate co-ordination and communication among different work units. (See paragraph 3.6.5).

In paragraph 3.5, the researcher identified three prominent objectives of worker participation. (Question 55.16). In terms of the South African situation the researcher is of opinion that the provision for workplace forums in the new Labour Legislation has the objective of democratizing the workplace in such a way that management and the workers will have equal decision-making power, equal rights, etc. The intention is to motivate workers with the goal of improved productivity. (See figure 24).

Participative schemes can be implemented by legislation or by agreement. (See paragraph 3.10.1). It seems that the form of participation that is mostly selected determines the choice between resorting to the law or coming to agreements. As in terms of South Africa where the Labour Legislation make provision for workplace forums to be implemented, 51 respondents agreed that participative management should be made compulsory through legislation. (Question 26).

Participative schemes can be initiated by management, the workforce, their representatives, the state or as the result of co-operation. (See paragraph 3.8). The various participative schemes are discussed in Chapter 4. The introduction of these schemes by the various initiators is determined by factors such as legislation and agreements; training and education; and information.

The perception exists that worker participation can effect organizational effectiveness by motivating workers, especially in terms of financial participation. Participation provides for the workers' internal satisfaction, which in its turn will combat absenteeism and rapid staff turnover. Worker participation opens the way for acceptance of change in that workers direct change in a way that is acceptable to them. Participation leads to more effective problem solving in a shorter period and to open communication where important information is shared. (See paragraph 3.6 and question 54.3 and 55.8).

It is important that the necessary information (paragraph 3.8.3) about and explanation of the scheme involved, be given to those that will have to make it work. This will determine the successful and effective adoption and implementation of a participation scheme. (Question 33.1, 35.12 and 55.2).

Education and training (paragraph 3.13) have the aim of informing all those involved in participative systems of the scheme's mechanics and the need for implementation of the scheme. Doing so will

develop positive attitudes toward the democratisation of the workplace and work processes in such a way that the people involved will accept responsibility and accountability for decisions, in other words, for the handling of power. The researcher is of opinion that the workforce's lack of knowledge and understanding of basic economic concepts on the shopfloor leads to chaotic decisions. For example, managers and top specialists have more expertise and information about problems pertaining to the organization than ordinary workers, simply because they spend more time on such aspects as financial resources and relationships between technology and production, and between the organization and outside influences. It is necessary for educational programs covering basic economics to be designed to suit the basic needs and functions of the workers and their representatives at various levels. (Questions 33.9 and 33.11).

Organizational theorists traditionally believe that worker participation can only succeed where there is a strong climate of trust between individuals and a preference for co-operative relations rather than adversarial relations. (Question 53). The problem in implementing participative schemes in South Africa is that the labour relations climate is all too often characterised by adversarialism. To implement worker participation will demand change in management styles, areas of joint responsibility and shared decision-making styles, organizational restructuring and information sharing, new communication systems, as well as joint training and commitment from top management and trade union representatives. (See paragraph 3.12 and Table 28). The researcher doubts whether South Africa really succeeded in moving away from adversarialism to bilateralism if one looks at the unstable labour relations that is characterised by severe conflict between the unions and management, even after the 1994 elections. This state of affairs leads to the following question: If worker participation was implemented in the organizations with the benefits that it claims to bring to labour relations, why does one see just the opposite? Even though Anstey (1991b:182) is of opinion that it hardly makes sense if unions involved in co-determination strike over decisions which they themselves have been involved in devising, and that it would be logical to expect a shift to co-operation and a decline in adversarialism in such situations, the researcher does question it.

Suggestions:

Because such a variety of opinions exist over what worker participation really is and what its goals are, it is important that management as well as the workforce defines worker participation in order to avoid any misunderstandings that will lead to conflict. It also became clear that introducing worker participation schemes in the workplace would be met with some resistance. To determine how one can involve workers in worker participation see figure 23.

The following suggestions are made:

1) Involve workers in decisions concerning financial aspects of the organization;
2) Workers must learn how to manage themselves in their work, in other words be empowered;
3) Workers and management should take decisions together in order for workers to learn about important issues and how it should be handled;
4) Management must consult workers to hear their point of view before making decisions; and
5) Involve workers by giving them the correct information.

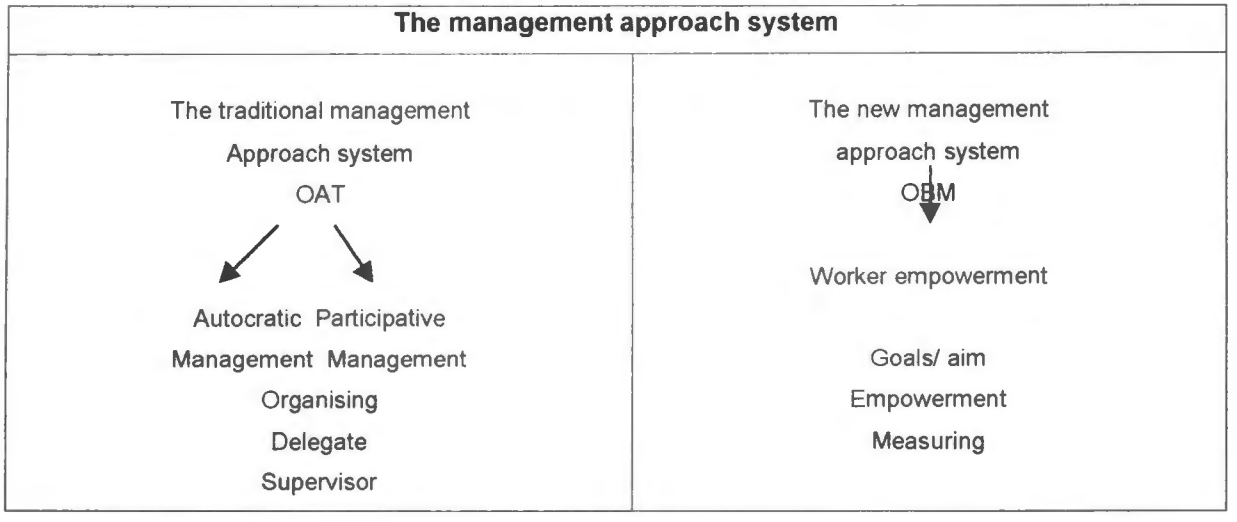
7.2.3 AIM 3: Main characteristics of legal and voluntary participative schemes, and its effect on economical competitiveness and labour relations

In chapter 4, the researcher tried to draw all possible participative schemes together and to compare them with one another to see what effect each one of them has on labour relations and workplace change. According to the respondents, safety and health committees are the most effective in bringing about workplace change. (Question 26).

The relevancy of workplace democracy gives recognition to workers' rights in developing opportunity for workers to express their power within the workplace and see them as partners with management. The South African society's view of worker participation - according to McLagan and Nel (1996:13) - experienced a fundamental change. Organizations are starting to move away from an authoritarian management style to a participative style of management. (Figure 31).

A model for effective implementation of participative schemes was identified by Lawler (1986:24). He points out four essential elements, namely power, information, knowledge and rewards. When analysing any employee participation program, it is important to identify the actual decision-making or power allocation approach. Education and training became the source of power and effectiveness in organizational co-ordination and co-operation. Without information, participation is impractical. It is therefore crucial that information should be moved to lower organizational levels. As people obtain more power, information and knowledge, they expect more rewards, particularly when they feel their participation added to the organization's effectiveness.

Figure 31: The management approach system



Source: Adapted from Mills (1995:253)

Information and consultation (paragraph 4.3.1):

Regardless of economic circumstances managers should share information on a voluntary basis - or in accordance with legislative or agreed rules - with workers to encourage organizational loyalty and commitment. The sharing of information may become a power resource for both parties during collective bargaining, according to Poole (1986:53). An aspect that management distrusts, is the provision in Article 89(1) of Act 66 of 1995 for the sharing of information that will help the workplace forum to participate effectively in the co-operative decision-making process.

There are certain aspects about which management is not obliged to share information. According to Article 89(2) of the Labour Relations Act, this includes the following information, namely information:

(a) that is justifying the privilege of management;
(b) that management cannot share without stepping over a prohibition that has been laid on management by law or a court order;
(c) that is confidential and that, if being shared, will be to the disadvantage of management; or
(d) that is private personnel information about a worker, except if that worker gives permission for such information to be shared.

Sharing of information usually goes hand in hand with fear of breaking a delicate trust relationship that have been built up and is sustained over a long period of time. This aspect of trust is viewed by Nel (1994:135) as an act of a person in co-operation with another.

In response to question 55.2, 82 percent of the respondents said that workers need to have information about all aspects that directly affect them and their interest in the future. Examples mentioned by workers on which aspects they want information from management are: profits and losses, productivity, organizational goals, health and safety, expansion of the organization, training of workers, sales made per annum, the future of the organization, etc.

Collective bargaining (paragraph 4.3.2):

Collective bargaining (question 35.11, 55.1, 55.13) can either be an instrument for introducing worker participation schemes or institutions, or it can in itself be the process by which participative management is implemented. Article 86(2)(a) and (b) of the Labour Relations Act makes provision that a representative union and management have to come to a collective agreement that gives permission to the workplace forum to discuss additional aspects through co-operative decision-making. Any aspect that needs participative decision-making, as determined by Article 86(1)(a) - (d) of the Labour Relations Act, can be taken off the agenda by a representative union and management through a collective agreement between them. O' Regan (1990:114) agrees with Anstey in that collective bargaining is a form of worker participation in decision-making. It is the process whereby trade unions and management negotiate to fix terms and conditions of employment, as well as other conditions within the workplace. According to Anon. (1981:330), collective bargaining is probably one of the oldest indirect forms of worker participation.

The implementation of other forms of worker participation, such as workplace forums, does not prevent collective bargaining from also playing a considerable parallel role. However, it has had repercussions in the past few years, as pointed out by Anon. (1981:173). Anon. (1981:174) pointed out that labour relations have been regulated through collective bargaining in that it afforded trade unions a considerable role in the examination of grievances. Unions also played a role in areas such as the recruitment of casual personnel, the drafting and amendment of work rules and safety and health measures, the joint management of social security funds, the management of co-operatives set up under a collective agreement, and the granting of loans to workers.

Workplace forums (see paragraph 4.3.3):

The debate to which degree workers have to be involved in decision-making started recently in South Africa. Labour legislation (Act 66 of 1995) make provision for workplace forums. The workplace forums, through which workers can dictate various decisions, are underlying to workplace democracy.

The implementation of workplace forums in the organization is, according to the Labour Relations Act, the prerogative of the representative union. The decision rests on the union's right and decision if they want to support this form of worker participation or not. This form of power sharing is as new for unions as for management. The question can be asked if unions really do have the democratisation of the workplace as aim, or if they only want to gain power and authority (just as management). The dynamic of the union is vested in the number of workers supporting them, who as a group of workers consult with the workplace representatives. They are a powerful mouthpiece for workers everywhere. In such a way, goals like the improvement of working conditions and salaries are realised.

Workplace forums were proposed and designed to perform functions that collective bargaining could not easily achieve. The purpose is not to replace collective bargaining, but to supplement it through a system of non-adversarial relations to deal with non-wage matters which must, by their nature, be dealt with at the level of the workplace, for example restructuring (Anstey, 1995:4).

An attempt is made to have a body representative of all categories of the workers. In other words, if workers believe that because of their non-union membership they are excluded from the collective bargaining process, they may use the forum as a means of sharing their grievances over substantive issues such as pay. Under most national systems, trade unions have an exclusive right to put forward candidates or have priority rights in this respect. In some countries, trade unions can remove those whom they have put up as candidates.

The main powers of works councils can be classified under four headings: information, consultation (giving worker representatives the opportunity to make their views known and to propose alternative solutions), co-decisions (prior agreement to, or right of veto on certain decisions), and direct autonomous management of some of the activities of the undertaking (in particular, welfare activities). Workplace forums could be a breakthrough in the struggle for democracy at work. They could provide unions with the tools to improve the quality of working life and prevent management from unilaterally restructuring the workplace. They also offer the unions an opportunity to intervene in management decision-making and shape decisions to meet workers' interests (Anstey, 1995:32).

As Anstey (1995:6) mentioned, workplace forums can serve as vehicles for extending rather than constraining union influence, and in the author's opinion they serve as important vehicles for developmental purposes. Caution should be taken that workplace forums are never conceived or permitted to be alternatives for trade unionism.

Unlike the German system where works councils are prohibited from strike action when no consensus can be reached, workplace forums in South Africa have the right to strikes and lockouts on matters

such as mentioned above, except where a collective agreement prohibits industrial action on such matters.

Some respondents (46 to be exact) said that workplace forums improved communication between the workers and management, while 64 respondents claimed that workers' lack of knowledge about workplace forums are hampering its effectiveness and that workers therefore need to be trained and educated. A large percentage (89%) of the respondents mentioned that workplace forums increase trust, motivate and empower workers; that it is a medium of meaningful influence; that important issues can be discussed and misunderstandings dealt with. Workplace forums create the opportunity for workers with mutual interests to meet. (Question 35.4, 55.4, 55.14).

Teams and job enrichment (paragraph 4.3.4):

This concept is poorly understood, loosely applied, and is often understood as a goal in itself rather than as a vehicle to enhance performance. In some cases effective teams are set up primarily to develop people or to further industrial democracy. Teams have been used to improve problem-solving, raise quality, and address the co-ordination of functions and specific projects involving various specialties. They are vehicles of self-management. This type of participation is preferred by management because teams and job enrichment demand so little change in the traditional authority structure of the firm and therefore fit reasonably well into the so-called "unitary conception" of authority within the organization. (Question 35.6 and 54.5).

Four teams have been identified, namely: collaborative network designs, parallel teams, project and development teams, and work teams (paragraph 4.3.4). These teams can be divided into permanent or cross-functional groups. The difference between teams and job enrichment programs lies in that the former implies all workers in a specific area while the latter is on a voluntarily basis. Teams are implemented on an "experimental basis" in a top-down manner. Lessing (1996a:5) involves teams in the democratising of the workplace. The effective handling of teams can contribute to participative management, as well as co-ownership and healthy and improved relationships.

Team Briefing (paragraph 4.3.5):

Team briefing hinges on the principle of leaders getting together with their teams on a regular basis in a small group in order to put across information relevant to their work. Team briefing can be implemented either where there is little or no union organization and/ or where management's interpretations of events are those which are more likely to secure acceptance from the workforce (question 35.2).

Quality Circles (paragraph 4.3.6):

"Quality circles is a small group of people from the same work area that voluntarily meets on a regular basis to identify, analyze, and solve work related problems." (Huss *et al.*, 1987:9). They are flexible and surface in many forms with the same basic constraints. Quality circles have to sell or present their ideas to management for approval. It is important to note that quality circles cover only a percentage of the work force and thus are not organization-wide in their nature. They cover only a small portion of a person's time in a workplace. They do not change the ongoing day-to-day activities of the individual who participates. Quality circles facilitate the upward flow of information about ideas for improvement. This is probably the most important contribution of quality circles, a contribution that leads to a new type of communication. This communication is quite important, for it can have a positive impact on both management and the employees who present their suggestions. Quality circles set processes in motion in which knowledge-building takes place. Training usually increases people's problem-solving skills, as well as their communication and interpersonal skills. (Question 35.1).

Lawler (1986:50) mentions that although participants do not usually learn much about particular work methods or procedures such as scheduling and inventory, they learn how to solve problems, how to interact, how to make presentations and how to deal with others. These are important skills to learn if the organization plan to move to other forms of employee participation. In light of the fact that quality circles have little power, their effect on most decisions is barely noticeable. In fact, they represent a parallel structure to the traditional hierarchical authority. Their only power lies in their ideas and presentation skills.

Quality Worklife Programs (paragraph 4.3.7):

The aim of quality worklife programs is to combat symptoms of alienation such as high rates of absenteeism, labour turnover, sickness and accidents that show a marked deterioration, while small strikes and stoppages are almost certainly attributable to alienating environments. Poole (1986:58) states the following: " ... the essential characteristic of any effective change in the direction of job enrichment is the delegation of greater responsibility to individual workers and workgroups, so that some shop-floor decisions - making passes from supervisors to the workgroup and this changes the position of the supervisor." According to the researcher, this concept is based on Maslow's need theory (paragraph2.8.3.1). Cangemi (1988:5) is of opinion that improvement of an individual's self-esteem and self-worth starts with helping an employee develop a higher degree of self-regard through consistent personal involvement in an organization's problems and concerns and to encourage that employee to contribute to solutions. This implies that management trusts and values the worker and this improves the quality of his worklife. (Question 35.3).

Financial Participation (see paragraph 4.3.8):

There will always be some debate over financial participation of workers in the organization. From a socialist perspective this will not be a bad idea, for it implies the equal share of the profits and/or shares of the organization. Seen from a capitalistic approach, financial participation will be catastrophic since it will not make workers accountable for decisions wrongly taken. The idea of financial participation may be launched in state- and parastatals, such as Eskom, but from a private businessman's point of view financial participation is totally rejected. The researcher is of opinion that some form of financial participation may work, for instance to link the workers' performance to their salaries. It will not only make them responsible to perform at their best, but will also make them accountable in their workplace. Another good idea from the field of financial participation is the disclosure of financial information, so that the workers can see how their performance influenced the profits of the organization. In doing so, another danger threatens. It gives the workforce the power to put more pressure on management to increase their salaries. It is clear to the researcher that financial participation is to a high degree based on socialism. Therefore, the researcher questions the effectiveness of financial participation without giving extreme power to the workforce in the South African situation. There are too many risks involved in allowing workers total disclosure of financial information. (See question 33.5, 33.6, 33.7, 33.8, 55.6 and 55.7)

According to 54 respondents, profit sharing reduces conflict, while 83 respondents said they need to have insight in financial data. Quite a number of respondents (78.2%) said that the organization must assist them in buying shares and 84% of the respondents supported the idea of financial participation. The reasons are summed up in paragraph 6.6.6.4. However, it did come up that 15.8% of the respondents mentioned that it is too great a risk, since workers lack knowledge and skills on:

- How financial matters should be managed;
- If salaries are connected to organizational profit, workers will not agree when their salaries decrease, since organizational success is not only dependable on productivity, but can be influenced by environmental factors, such as sanctions;
- Money was never a motive for greater productivity.

It did appear that although the workers wanted to participate financially, they were more concerned about being informed of decisions concerning financial aspects, such as investments.

Worker Directors (paragraph 4.3.10):

It appears that there are mixed feelings about the effectiveness of worker directors. Some believe that it leads to conflict reduction, raises worker awareness of business problems and improves their commitment towards the organization, helps in the acceptance of management decisions and

improves decision-making. Unions on the other hand feel that worker directors challenge the role and power of the trade union and that worker directors will rather see the view of management, than that of the workers. To handle the debate whether worker directors' role is in management or in decision-making, the Germans had implemented the two-tier system to address the problem. (See table 14).

Whatever the role of worker directors is or will be, they could play a significant role in collective bargaining. The reason is quite simple in that they can gain access to information the union would otherwise be prevented from obtaining. It is important to recognise that collective bargaining as it is presently structured in South Africa has shortcomings, and that some of those shortcomings may be met by appointing worker directors. In addition, worker directors would at least have an opportunity to raise worker arguments against long-term decisions made by directors, which would otherwise be beyond the scope of bargaining. This may assist unions to prepare campaigns against such decisions. (Question 54.6).

Suggestions:

Management and the workforce cannot be ignorant of the fact that workplace participation has its problems. An ignorant attitude will lead to the failure of the process and probably lead to conflict. The researcher thus makes the following suggestions:

1) Identify the goals that the organization wants to achieve at the specific workplace;
2) Identify an appropriate participative scheme that will be helpful in the achievement of these goal/s;
3) Determine a time schedule in the progress of workplace change where the participative scheme has been implemented;
4) Make changes to the participative scheme where it needs to be more effective. This implies knowledge about the functioning of the participative scheme in the organization, so that attention could be given to core areas where problems are experienced.

Most important to remember is that workplace change should not be rushed, but enough time should be given for workers to adapt to changes. It is all-important to consult workers throughout the planning and implementation of participative schemes.

7.2.4 AIM 4: Various perceptions and opinions in terms of participative schemes that influence the effective implementation of worker participation

Throughout the study the researcher mentioned perceptions and opinions, some positive, others negative, in terms of participative management. In table 25 respondents indicated their impressions on the implementation of worker participation at Lethabo Power Station.

Olivier (1996:805) criticizes the restriction that workplace forums place on management prerogative. The Act on Labour Relations stipulates that co-operative decision-making on certain affairs should occur. The implication of this stipulation is that management cannot implement suggestions before consultation with the workplace forum and consensus having been reached. If consensus have not been reached, then arbitration is needed, as determined in Article 86(4)-(8) of the Labour relations Act. Instead of focusing on what both parties can gain from negotiations in the workplace forum, fear of change is hampering the process. For instance, unions fear that workplace forums will marginalise their influence on the workplace and over their members. In the current climate where workers are unhappy with the performance of union leadership, it may be seen as an advantage to have a workplace forum where workers can negotiate issues independent of unions. In order not to lose "power", unions may not initiate the forums (see chapter 5 on union's role under workplace participation). Another aspect is that trade unions have often shown hostility to these bodies. They fear either that works councils might encroach on trade union activities or that the councils might be used as substitutes for genuine negotiation with only the appearance of participation. The union initiative makes the role and function of the forum along the lines of collective bargaining mechanisms with unions uncertain. The role of unions is in question, because the initiative to become a member of a union can be suppressed. Management fears that under the influence of worker representatives, they may become militant bodies attacking management prerogatives. In paragraph 3.14 the various benefits and disadvantages (question 55.10) of worker participation is discussed. Although many writers claim that worker participation have much to offer, the researcher is critical whether these benefits can really be quantified. Does worker participation really bring changes to the workplace, in light of the high costs involved just to implement worker participation? If one looks at the present labour relations situation, it does not seem to have any positive effect on the workplace.

In figures 27, 28 and 29 identified advantages and disadvantages are given by the respondents themselves and compared with the results given by respondents in table 24 and 23. It seems that there is no great difference between the advantages and disadvantages identified by the respondents.

Mostly, objections relate not so much to the general idea of allowing workers to participate in decisions as to some of the reasons put forward in favor of participation or to the methods proposed for putting it into effect.

- Participation may, in extreme cases, constitute a threat to property rights, the exercise of authority and the chain of command - it may imply a new conception of the roles of employers and workers in labour-management relations and a more or less generalised trend towards the delegation of powers.
- The co-determination system would increase the trade unions' power and immediately raise the question of their role and functions in a free economy. It would also entail a fundamental change in the country's property structure and would thereby jeopardise the basis of the free socio-economic order and its future development. (Anon., 1981:31).
- Management of a company have to be responsible to the owners; it could not be effective if important decisions could be subject to compromises between groups which have very different interests, and in some cases even political beliefs.
- Trade unions are the representatives of private interests and it is not their job to perform functions on behalf of the public. They should be the first to recognise that acceptance of their demands, which would lead to changing their character as private representatives of worker interests, would have the effect of them becoming public institutions. If that happens, it is difficult to see that independent collective bargaining can be maintained.
- Ownership is no longer sufficient to give legitimacy to management powers (since these may lead to decisions affecting not only the owners, but also the workers and the public in general) and equity is in the hands of thousands of individual shareholders, none of whom really exercises ownership rights. The recognition of such rights is the very basis of a free economy. Each shareholder takes a financial risk, which is and must remain an individual risk. Any limitation of the powers which are given to those who are mandated by the shareholders to act on their behalf can only lead to a corresponding diminution of the sense of property ownership that unites the shareholder with the company.
- "Ultimately, lacking any single driving force, open to every varying outside influence, the company is no longer able to command sufficient confidence to attract the further capital it needs." (Anon., 1981:32). To change that situation by giving control to trade union representatives would not only damage the efficiency of companies, it would have most serious consequences on international confidence in South Africa's ability to improve its situation and would deter badly needed foreign investments and destroy private enterprise. For as Anon. (1981:33) stated, "Will investors be ready to advance their savings for investment if they believe that power lies in the hands of people who may be inimical to their interests? Will consumers

accept such representatives as the best safeguards of their interest in quality, competitive pricing and choice?"

- It seems that the majority of workers attach less importance to participation in management than their unions.
- Some trade unionists believe that it is not their job to share responsibility for decisions, which is the prerogative of management. The role of trade unions is rather to exert pressure on management to obtain the maximum benefits for workers and not to take its place, or to be associated with decisions that might adversely affect their independence.

About 50% (58 respondents) mentioned that worker participation leads to higher productivity, better client services and work harmony, although they could not quantify it. The respondents claimed that worker participation leads to labour peace and better communication. This perception was in contrast to the fact that they indicated in figure 24 that worker participation had the least successful effect on strikes and that it did not decrease.

In light of the fact that workplace forums were implemented at Eskom, the researcher focuses on aspects of workplace forums. The question (see 55.3) whether the workplace forums improved communication in such a way that workers have more knowledge about decisions being taken by management, was positively answered by 46 respondents, while 30 respondents answered negatively, saying that workers are illiterate in terms of workplace forums. Some felt that even when decisions are taken through workplace forums, the decisions are not communicated to the workers, and workers may sometimes still need clarity on some issues. Other complaints were that no major decisions are taken through workplace forums, workers hear of decisions long after they were made and some supervisors only share information in so far as it suits them. Nineteen respondents did not answer this question.

In the response to question 55.4, 89 percent of the respondents indicated that workplace forums are a way of co-opting workers, in that:

- workplace forums increase trust between workers and management;
- workers are motivated;
- workers are empowered in that more responsibility are assigned to them;
- workplace forums are a medium for meaningful influence and this can improve industrial peace;
- information is shared;
- either unions or management can table important issues and suggestions can be made;
- misunderstandings can be dealt with;

- opportunities are created whereby workers from different sections meet regarding mutual issues; and
- everyone can voice his or her opinion.

About 11 percent of the respondents indicated that workplace forums are only implemented for the sake of labour legislation and are merely a way whereby management brings issues for "rubber stamping" and also that management can still make decisions even if there is gross dissatisfaction. Sixty-four respondents stated that workers need training and education to participate effectively in the workplace forum. Statements to support their view were given, such as:

- People lack knowledge in how to communicate – when decisions have been taken, they complain or ask questions;
- To understand the proper guide lines of how a workplace forum works; and
- Workers need to have in-depth knowledge on issues discussed at forums.

It seems from the above three questions that most of the respondents support workplace forums and that they are implemented with much success. The researcher would, however, like to point out that the issues mentioned by those respondents who answered negatively are important issues, and that attention should be given to them for improvement.

Mantashe (1994:110) expresses the view that to integrate labour and management into a single structure, the possibility exists that the distinction between which constituency each represents will become less clear. If workers become owners to a limited degree, it may dilute the militancy of labour. And if labour is asked to put "national interest" before their "narrow constituency interests" labour is going to become the weaker partner in the relationship.

Suggestion:

The fact that there will be resistance to workplace change can never be ignored, neither will it ever be absent. False perceptions will always exist about the success and problems of participative schemes. It is necessary to remember that perceptions and opinions are usually based on what people think they know, but not what they experienced. This is clear when one takes into consideration that the workers at Lethabo Power Station perceived various advantages about worker participation, but could not quantify it. When the organization decides to implement participative management it will be necessary to first determine the attitude of the workers, that is their perceptions and opinions. Then the organization can know if workplace change is going to be met with some resistance or not. Incorrect perceptions and opinions should be realised and modified to counter the reality of its implications on the workplace. Correct information should therefore be shared with the workers.

7.2.5 AIM 5: Empowerment as the key to successful workplace democracy through worker participation

The democratisation of the workplace was discussed in chapter 5, and the prospect of a total new management approach and –process to supply in the changing needs of the organization was proposed, so that the organization can function effectively. (See figure 18). Workplace democracy occurs through worker participation in decision-making and through worker empowerment. The relevance of workplace democracy can be referred to as the system of labour relations that gives recognition to the rights of all workers. It allows workers to exercise their power within the workplace and they are viewed as partners in the running of the organization.

It has become clear during the study that empowerment is closely linked to worker participation. According to Mdongo (1995:14), empowerment of workers has the aim to set an ongoing process of improving the functioning of the organization and its workforce in motion.

A strategy that is aimed at realising worker empowerment, can be found in the new Labour Relations Act (Act 66 of 1995) that has the purpose of bringing about the democratisation of the workplace. One of the primary aims of the Act is to improve the participation of workers in the workplace, as it is being regulated through workplace forums that are discussed in Chapter 4. The defined purpose is therefore to bring about change in the relationship between management and the workforce.

Mantashe (1994:110) says that the levels of participation that exist at Eskom must give the labour movement progressively more power. Any participation by labour must have the objective of ultimately empowering people to move forward and attain a socialist era in South Africa. If it does not do that, it is not going to be in the interest of labour in the country.

Gathercole (1992:8-10) identified three goals of worker empowerment:

- To minimize the management levels within the organization.
- To motivate teamwork, co-operation and horizontal communication.
- To make organizations more adaptable to react on external pressure.

Within the scope of labour legislation, the realisation of worker empowerment came into the hands of the individual workers through workplace forums (as discussed in chapter 4) by concentrating on consultation, participative decision-making and disclosure of information. Therefore, it can be

speculated that labour unions will see this type of worker empowerment as a threat to them, as discussed in chapter 5. Unions will lose their power over the workers if workplace forums are implemented. The researcher found that one of the greatest shortcomings in the democratisation process of workplace forums is the lack of union interest in the implementing of workplace forums.

The implementation of the workplace forums in the organization is, according to the Act on Labour Relations, the prerogative of the representative union. However, this form of power division is just as new for the unions as for management. The researcher thus doubts whether unions have any real interest to improve workplace democracy, or if they do not simply strive to win power and authority (just as management does) within their own ranks. Unions and their new role in the process of worker participation are discussed in paragraph 5.5.3.

The researcher also focused on the other part of empowerment, and that is the need for workers and management to be educated in order for the successful implementation of worker participation (paragraph 5.6.3). Negota (1992:8,10) refers to the current situation in South Africa and that worker participation can be harmed if the workforce and management are not educated and trained for this process. The aim should be to view all parties as totally equal, but also as active partners in the organization. In such a way, true change can be brought about.

It is therefore important that the democratisation of the workplace is a priority in the implementation of worker participation through empowerment, and the empowerment of workers through participative management. The adaptation of workers to a changeable environment and the equipment of workers to handle these changes are accomplished through the involvement of both management and the workforce in the process. An organizational culture that is based on collective co-operation should be established to gratify the increasing demands of social accountability, greater competitiveness, new markets and increasing workers' expectations.

About 10% (12 respondents) answered negatively, in that training and education is time consuming. According to them, workplace forums can be successful if everyone attend the forum, so that they can contribute to the decisions without being trained and educated. It will brainwash them to think along the lines of management, and will kill creativity. They also mentioned that there is no need to train workers in matters that are not related to the business of the organization.

About two thirds (66 respondents) indicated that empowerment ensures effective implementation of participative management. About 75% (70 respondents) said that the cost of training and education should be borne by management and the union. See table 26 for respondents' opinion about the success of empowerment at Lethabo Power Station and table 27 for participative schemes in the

process of empowerment. It did seem that empowerment is implemented with much success at Lethabo Power Station.

Suggestion:

- The success of the empowerment process of workers at Lethabo Power Station through participative management can serve as a role model to other organizations. Empowerment of workers is accessible through participative management.
- A total new management approach and –process should be implemented to meet the expectations of the organization to survive. Lethabo Power Station already advanced on this road to move away from traditional autocratic and Tayloristic management philosophies through which organizations are controlled. The new approach that encourages empowerment through participative management and advocates workplace democracy is being implemented with great success within the organization through workplace forums.
- Considering that the concept of worker participation is accepted through workplace forums, workplace democracy can be accessed where empowerment occurs through participative management. Organizations should acknowledge that the Labour Relations Act makes provision for a mechanism through which empowerment of workers can occur in an orderly, but also a dynamic and creative way. This is through workplace forums. The legislation makes provision for an own unique collective bargaining manner through which interactive activities between workers and management can be practiced and regulated through a constitution.
- It is significant to know that workers place a high value on training and education, since they feel incompetent in the workplace if they cannot adapt to workplace changes. In this way they feel important to the organization and the researcher could read between the lines that they find their work security in being trained and educated.
- Something to bear in mind is that management as well as the workforce should come to an agreement on who is going to carry the cost of training and education of the workers. This will prevent future conflict and resistance to change between management and the workforce. It is important to notice that the workers believe that the cost should be carried either by management or by the union or by both.

7.2.6 AIM 6: The implementation of worker participation in organizations as political arenas to bring about workplace democracy

There is the tendency in the workplace to justify or legalise the rights and power of workers through political democracy. Schuitema (1995:15) speculates over the legitimacy of the practices between management and the workforce. The researcher is of opinion that although South Africa has moved into a democratic political order, democratisation of the workplace is more of a myth than an overall

excepted reality, since the reason for this change is based more on political pressure than on moral belief.

It is vital that management and the workforce should be aware of the implications of workplace democracy since it is a prior requirement for participative management. The implications of democratising the workplace are greatly experienced in the way in which the organization manage and develop its workers. Pfeiffer (1978:222) sees organizations as political arenas (paragraph 5.5) and differentiates between participation that is directed to co-opt workers and participation that actually is just pretense participation that is merely done to get workers' co-operation.

Nearly three quarters (72.7%) of the respondents indicated that political issues are pursued in collective bargaining, rather than real working issues (see paragraph 4.3.3.5 and paragraph 5.5.3). In light of the political unrest that existed in the past among the workers of Eskom, the researcher wanted to ascertain if the political context adversely affected collective bargaining. Most trade unions fall under a political ideology that comes from the old regime.

The Department of Labour advanced two arguments to justify the Employment Equity Bill – one moral and one economic. But the case it attempts to make is conceptually flawed in both areas. More revealing is that in trying to fudge the logic of these arguments, the department shows that the issues is entirely political. (Anon.,1998:13).

President Thabo Mbeki's call in 1998 on workers to join COSATU underlines the close ties between government and organised workers. It became clear since the government passed the Labour Relations Act that permits closed shops, making it difficult to dismiss workers or hire replacements for striking workers, allowing bargaining councils with wage and service agreements that can be extended across entire economic sectors. The Minister of Labour has wide powers to interfere in non-unionised businesses. He can also set minimum wages and ban contract work.

It seems thus that the current situation in South Africa gave excessive powers and protection to unions. However, if one takes into account what the bad result of strong union influence was in Britain, one can understand why Margaret Thatcher embarked on breaking the extent of trade union power. Through Britain's Employment Act of 1982 closed shops could no longer be entertained against management who had chosen to dismiss all strikers. Severe limitations were placed on the right to strike and union immunities to damages actions were largely removed. Thatcher allowed no limit for damages awarded when a union acted in contempt of court. She limited the power of unions to "discipline" workers who chose not to strike; open union accounts for inspection and demand secret ballots in all union decisions. Breaking the power of the unions was crucial in turning Britain

around to a situation where she now boasts an unemployment figure of only 6.5%, an inflation figure of 2.5%, a 3.4% GDP growth and attracts the most foreign investment in the European Union. Her example would be emulated in the next decade around the globe where unemployment is at record levels. The question is thus if South Africa is not following the wrong path to workplace democracy by giving unions more power.

Suggestion:

It is clear that government play a vital role in labour relations. Either it can ascribe greater power to the unions, as can be seen in South Africa's current situation, or it can limit the power of unions as in the case of Britain. The question is not whether labour relations should be directed by legislation, but the question is what the motives are for the legislation, since it can primarily be to improve political aspirations of the government.

7.3 FINAL REMARK

It should be remembered that worker unions upholds a socialistic view to suppress capitalism. Thus any form of workplace democracy is a victory for socialism and one should not be naïve in thinking that democratisation will be the end goal.

The socialistic viewpoint of the unions is beginning to arouse bring conflict between the unions and the government. The President indicated that the Labour Relations Act should be changed since it is business unfriendly. Toning down the Act's animosity towards businesses will be a step against the socialistic philosophy of the unions. Touching the Act will lead to increased conflict between the unions and the government.

Workplace forums are effective since it leads to better communication, training, business insight and the obtaining of worker suggestions regarding relevant aspects. However, the powers of management (accountability for decisions) should not be limited. Thus, the purpose, functions and powers of such a forum should be clearly defined so that the accountability of management would never be eroded.

APPENDIX A
THE QUESTIONNAIRE

MEMORANDUM

From _____

To _____

Date _____

QUESTIONNAIRE REGARDING WORKER PARTICIPATION

Attached you will find a questionnaire which is aimed at obtaining more information on the general view of management and workers as to the effectiveness of worker participation in Eskom.

Your participation in this project is extremely important, and therefore I ask your kind-hearted co-operation in the completion of this questionnaire. The completion of this questionnaire will not take much of your time, because marking appropriate blocks with a cross can complete a great part of the questionnaire.

This questionnaire is anonymous, so please do not mention your name. You must therefore have the confidence to answer the questionnaire with honesty.

PLEASE NOTE THAT THE QUESTIONNAIRE IS PRINTED ON THE REVERSE OF EACH PAGE. YOU MUST COMPLETE BOTH SIDES OF EACH PAGE. PLEASE ENSURE THAT YOU HAVE COMPLETED ALL THE QUESTIONS.

Marietjie Beetge

SECTION A

BIOGRAPHICAL INFORMATION OF RESPONDENT

Answer the following questions by marking the appropriate block with an X, except where indicated differently.

1. In what age group do you fall?

24 years and younger ☐
25 - 35 years ☐
36 - 45 years ☐
46 - 55 years ☐
56 years and older ☐

2. Sex Male ☐ Female ☐

3. What are your highest qualification?

St. 8 or lower	☐	N1	☐	Honors degree	☐
St. 9	☐	N2	☐	Master degree	☐
St. 10	☐	N3	☐	Doctors degree	☐
Diploma	☐	Degree	☐	Other	☐

4. If "other" at question 4, please specify

_____

_____

5. In which group are you working?

Distribution ☐ Transmission ☐
Services ☐ Finance
Generation ☐ Human Resources
Corporate affairs ☐
Marketing and Communication

6. What is your current job grading (according to the Patterson job grading system)?

F	☐	Upper C	☐
Upper E	☐	Lower C	☐
Lower E	☐	Upper B	☐
Upper M	☐	Lower B	☐
Lower M	☐	Upper A	☐
		Lower A	☐

7. Do you have any subordinates that have to report to you?

Yes ☐ No ☐

8. Indicate which of the following categories of staff report to you.

Professional ☐
Semi-professional ☐
Skilled ☐
Semi-skilled ☐
Unskilled (general worker) ☐

9. How many years are you currently working at Eskom in a continuous service?

Less than 1 year	☐	5-10 years	☐
1-2 years	☐	11-15 years	☐
3-4 years	☐	16-20 years	☐
		Longer than 20 years	☐

10. For how many years are you in the present job position?

Less than 1 year	☐	5-10 years	☐
1-2 years	☐	11-15 years	☐
3-4 years	☐	16-20 years	☐
		Longer than 20 years	☐

11. Indicate which of the following concepts do you know and understand. Here you may indicate more than one of the following.

Worker participation	☐	Self-management	☐
Co-determination	☐	Workplace Forums	☐
Worker Directors	☐	Financial participation	☐
Quality Circles	☐	Welfare schemes	☐
Teams	☐	Suggestion Schemes	☐
Team Briefing	☐	Collective Bargaining	☐
Co-operatives	☐		
Employee share ownership	☐		
Quality Worklife programs	☐		

SECTION B
GENERAL IMPRESSIONS ON WORKER PARTICIPATION

Consider the following statements thoroughly, and indicate your opinion by indicating on the four-point scale how strongly you agree or disagree with each statement. Indicate your choice by using a cross. Use just one cross per statement.

Strongly Agree = 1
Agree = 2
Disagree = 3
Strongly Disagree = 4
Don't Know = 5

12. The sharing of information with workers leads to increased mutual trust between management and workers.

1 2 3 4 5

13. Workers who are being involved in decision-making, are more flexible and more willing to accept changes by management.

1 2 3 4 5

14. Workers who are being allowed to make their own decisions over their work, will show more interest in their work.

1 2 3 4 5

15. Workers have the ability to solve problems on their own.

1 2 3 4 5

16. If workers are allowed to participate in decision-making, they will manipulate it so that it will benefit them.

1 2 3 4 5

17. Workers attach less meaning to participation, and therefore it would not motivate them.

1 2 3 4 5

18. Participation leads to higher productivity.

1 2 3 4 5

19. Workers are not willing to be accountable for the decisions that they make.

1	2	3	4	5

20. Participation of workers means nothing to other shareholders in the long term.

1	2	3	4	5

21. Participation leads to co-optation.

1	2	3	4	5

22. Participation has no long term advantages for the organization.

1	2	3	4	5

23. Worker participation in decisions is time consuming and therefore worker opinions must not be obtained during decision-making process.

1	2	3	4	5

24. Workers' participation should be restricted to their own working environment.

1	2	3	4	5

25. Worker participation is used by management to prevent workers to become members of union federations.

1	2	3	4	5

26. Management has to be forced by Law to consult workers before a final decision is made.

1	2	3	4	5

27. Worker participation leads to the increasing of union power and the decreasing of management authority in the organization.

1	2	3	4	5

28. Participative schemes will only work if management can guarantee workers that they will not lose their jobs as a result of their suggestions to management.

1 2 3 4 5

29. Participation will be more effective if workers are represented by a union during the process of participation.

1 2 3 4 5

30. Workers must be additionally compensated for suggestions to improve the organization's profits.

1 2 3 4 5

31. Worker participation will be more effective if the workers are directly involved in the process, rather than being represented by other persons who declare a viewpoint on behalf of them.

1 2 3 4 5

32. The cost of training to participate rests on management.

1 2 3 4 5

33. Here follows a list of different situations where workers can be involved within the organization. Indicate with a (X) in which situation workers can get participation, by indicating YES or NO.

33.1 Involve workers just by giving them the correct information.
Yes No

33.2 Involve workers by consulting them before decisions are being made (Management just has to hear their opinions and then can make their own decisions.)
Yes No

33.3 Workers and management must take decisions together.
Yes No

33.4 Workers must make their own decisions.
Yes No

33.5.1 Workers must take control over themselves and must manage themselves (self planning, organizing and leading).
Yes No

33.6 Workers must be involved in the financial aspect of the organization.
Yes No

33.7 Is profit sharing a way of co-opting workers to prevent industrial conflict?
Yes ☐ No

33.8 Should financial data be available to workers under profit sharing to see how the profits are being calculated and declared?
Yes ☐ No

33.9 Is empowerment the main means to ensure effective worker participation?
Yes ☐ No ☐

33.10 Should the organization assist workers financially to buy shares in the organization?
Yes ☐ No ☐

33.11 Should management and the union be responsible for the cost of worker empowerment?
Yes ☐ No

34. If workers are being involved in decision-making, which impact does it have, according to your opinion, on the different aspects of labour relations? Indicate your choice by a (X) on the appropriate number.

Extremely Positive = 1
Positive = 2
Negative = 3
Extremely Negative = 4

	1	2	3	4
34.1	Labour peace			
34.2	Absenteeism from work			
34.3	Labour turnover			
34.4	Disciplinary actions			
34.5	Grievances of workers			
34.6	Strikes			
34.7	Union involvement			
34.8	Work security			
34.9	Labour relations climate			
34.10	Handling of conflict	☐	☐	☐	☐
34.11	Communication	☐	☐	☐	☐
34.12	Relationship between management and the union	☐	☐	☐	☐

35. The following list of different methods can be used to implement worker participation in the organization. Indicate in the blocks on a scale 1 to 10 the effectiveness of the method to bring about workplace change, by marking the block of your choice with an X. Number 1 stands for totally ineffective, while 10 stands for extremely effective.

35.1 Quality Circles

1	2	3	4	5	6	7	8	9	10

35.2 Team Briefing

1	.2	3	4	5	6	7	8	9	10

35.3 Job rotation, job enlargement and job enrichment: quality work life programs

1	2	3	4	5	6	7	8	9	10

35.4 Workplace Forums

1	2	3	4	5	6	7	8	9	10

35.5 Employee share ownership (ESOPs)

1	2	3	4	5	6	7	8	9	10

35.6 Participative worker teams, self-directed worker teams/autonomous worker groups/ semi-autonomous worker groups/self management worker groups.

1	2	3	4	5	6	7	8	9	10

35.7 Suggestion Schemes/"common wealth" ventures

1	2	3	4	5	6	7	8	9	10

35.8 Joint consultative committees

1	2	3	4	5	6	7	8	9	10

35.9 Safety and health committees

1	2	3	4	5	6	7	8	9	10

35.10 Mutual training and education programs between the union and management

1	2	3	4	5	6	7	8	9	10

35.11 Collective Bargaining

1	2	3	4	5	6	7	8	9	10

35.12 Disclosure of information

1	2	3	4	5	6	7	8	9	10

35.13 Union ownership

1	2	3	4	5	6	7	8	9	10

35.14 Worker Directors

1	2	3	4	5	6	7	8	9	10

35.15 Co-operatives

1	2	3	4	5	6	7	8	9	10

SECTION C

WORKER PARTICIPATION PROCESS

Strongly Agree = 1
Agree = 2
Differ = 3
Strongly Differ = 4

36. The work that I do really means something to the organization.

1 2 3 4

37. The nature of my work requires me to have various skills.

1 2 3 4

38. I can decide on my own how I want to do my work, to get the best results.

1 2 3 4

39. I get or have efficient access to the correct information about work processes, quality, client-response, opportunities and business results.

1 2 3 4

40. I have enough power to act in my work and to make decisions on all aspects of my work.

1 2 3 4

41. The remuneration that I receive is in relation to organizational results; in other words, the better the organization functions, the better my remuneration is.

1 2 3 4

42. I get efficient training to do my work.

1 2 3 4

43. I have the confidence to give my opinion without being afraid of discrimination against me for my viewpoint.

1 2 3 4

44. Management takes decisions without consulting workers.

1 2 3 4

45. I have the opportunity in my work to take decisions with management on aspects that influence my work directly.

1 2 3 4

46. Management continuously get my participation in decisions.

1 2 3 4

47. The workers feel accountable for decisions that they take.

1 2 3 4

48. The quality of the work of workers is 100%.

1 2 3 4

49. Management believe that workers have the ability to examine their work.

1 2 3 4

50. Team members know exactly what their vision is, and what they should achieve.

1 2 3 4

51. Members of the team have sufficient skills and knowledge to perform their work effectively.

1 2 3 4

52. Everyone is informed about successes, faults/failures and client reports.

1 2 3 4

53. Which of the following statements describes your working environment the best? (mark only one statement, please.)

- Management is forcing decisions downwards.

OR

- Management or supervisors first consult subordinates before they make any decision.

OR

- Management or supervisors and subordinates make decisions collectively.

OR

- Management and unions make the decisions collectively.

OR

- Subordinates have the power to make decisions on their own.

54. Answer the following questions by marking an X in the block when you agree or disagree with the statement.

54.1 Suggestions schemes:

- are potentially damaging to the morale within the workgroup;
  Yes ☐ No ☐ Don't know ☐
- can encourage competition between members of particular workgroups;
  Yes ☐ No ☐ Don't know
- lead to substantial differentials in financial rewards;
  Yes ☐ No ☐ Don't know

54.2 Gain-sharing or financial participation achieved to:

- break down the "we-they" syndrome;
  Yes ☐ No ☐ Don't know
- draws workers into teams;
  Yes ☐ No ☐ Don't know ☐
- promote team effort;
  Yes ☐ No ☐ Don't know ☐

54.3 Worker participation:

- increases individual identification with and commitment to organizational success;
  Yes ☐ No ☐ Don't know ☐
- increases co-operation within the organization;
  Yes ☐ No ☐ Don't know ☐
- makes the worker more conscious of business needs and the value of profit to the organization;
  Yes ☐ No ☐ Don't know ☐
- helps to attract and retain key staff due to extra financial inducements;
  Yes ☐ No ☐ Don't know

54.4 Co-determination:

- undermines worker solidarity;
  Yes ☐ No ☐ Don't know
- disarms workers by sacrificing the right to strike on co-determinous issues;
  Yes ☐ No ☐ Don't know
- undermines the struggle for jobs where labour accept competitiveness through working long hours;
  Yes ☐ No ☐ Don't know ☐
- undermines the struggle for socialism by promoting the idea that management and workers have common interests leading to the co-option of labour;
  Yes ☐ No ☐ Don't know ☐

54.5 The implementation of quality teams in your workplace:

- improves problem solving;
  Yes ☐ No ☐ Don't know
- raises quality and enhanced output and productivity;
  Yes ☐ No ☐ Don't know
- leads to the training of individuals;
  Yes ☐ No ☐ Don't know
- leads to the sharing of information;
  Yes ☐ No ☐ Don't know
- leads to worker empowerment;
  Yes ☐ No ☐ Don't know

54.6 Worker directors lead to:

- reduction in conflict;
  Yes ☐ No ☐ Don't know ☐
- raised employee awareness of business problems;
  Yes ☐ No ☐ Don't know ☐
- improved levels of organizational commitment;
  Yes ☐ No ☐ Don't know ☐
- less resistance to managerial decisions;
  Yes ☐ No ☐ Don't know ☐
- improved decision making;
  Yes ☐ No ☐ Don't know
- the assistance of unions to prepare campaigns against management decisions;
  Yes ☐ No ☐ Don't know

SECTION D
PERSONAL OPINION ON THE SUCCESS OF WORKER PARTICIPATION

55. This section is divided in two parts. Part I should be answered by all grading groups (F, Upper E, Lower E, Upper M, Lower M, Upper C, Lower C, Upper B, Lower B, Upper A and Lower A). Part II should only be answered by the higher grading groups (F, Upper E, Lower E, Upper M, Lower M).Give your own opinion about the following questions

PART I
All groups answer this part.

55.1 Do you think that the political context adversely affects the collective bargaining environment? Motivate your answer.

Yes ☐ No ☐

.....
.....
.....

55.2 On which aspects of the organization should information be shared with the workers?

.....
.....
.....

55.3 Do workers have more knowledge about decisions being taken by management through workplace forums? Motivate your answer.

Yes ☐ No ☐

.....
.....
.....

55.4 Are workplace forums another way of co-opting workers? Motivate your answer

Yes ☐ No ☐

.....
.....
.....

55.5 Do you think that workers need to be trained and educated to participate effectively in the workplace forums? Motivate your answer.

Yes ☐ No ☐

.....
.....
.....

55.6 Do you think that workers need to participate with regard to financial matters of the organization? Motivate your answer.

Yes ☐ No ☐

.....
.....
.....

55.7 Do you agree that through financial participation workers stand to earn more money and are therefore motivated to contribute to an increased productivity? Motivate your answer.

Yes ☐ No ☐

.....
.....
.....

55.8 When will worker participation in the workplace work? Motivate your answer.

.....
.....
.....

55.9 If you support worker participation, at what level should it be implemented?

.....
.....
.....

55.10 What are according to your opinion, the advantages and disadvantages of worker participation?

.....
.....
.....

55.11 Do you think that worker participation has led to higher productivity, profits and client services and worker harmony? Quantify if possible.

Yes ☐ No ☐

.....
.....
.....

55.12 Indicate what decisions should be included in worker participation, and motivate your answer:

- co-business issues: for instance, financial participation and the decision to invest in Japan for greater organizational profits;

  Yes ☐ No ☐

- bread and butter issues: for instance, wages, health and security;
  Yes ☐ No ☐
- direct working issues: for instance, how the job should be done so that it would be done more effectively.
  Yes ☐ No ☐

.....
.....
.....
.....
.....

PART II
This part should only be answered by groups F, Upper E, Lower E, Upper M, and Lower M.

55.13 Do you think that collective bargaining is a successful method of participation in Eskom? Motivate your answer.

Yes ☐ No ☐
.....
.....
.....

55.14 Does the implementation of a workplace forum imply the degrading of union power, and the undermining or contradiction of union policies? Motivate your answer.

Yes ☐ No ☐
.....
.....
.....

55.15 Indicate if you agree or disagree with the following statement and motivate your answer: Decisions taken by the workplace forum are usually in the interest of the worker, and not in the interest of the organization as a whole.

Yes ☐ No ☐
.....
.....
.....

55.16 Indicate with an X whether you agree of disagree with the statement. You may indicate more than one of the following statements. Participation leads to:

- higher productivity; Yes No
- worker flexibility; Yes No
- work satisfaction; Yes No
- healthy industrial relations; Yes No
- increased quality and output; Yes No
- a decline in labour turnover and absenteeism; Yes No
- workers' attitudes to management becoming far less antagonistic; Yes ☐ No ☐

If you disagree with one or more of the above points, please motivate your answer.

.....
.....
.....

55.17 Do you agree/disagree with the following statement and motivate your answer: The greater the power which accrues to the workforce, the less is available for middle management and first-line supervisors.

Yes ☐ No ☐

.....
.....
.....

55.18 Does participation of workers in that financial aspect of the organization lead to improved organizational business efficiency and improved worker performance?

Yes ☐ No ☐

.....
.....
.....

55.19 Does worker participation in management board enhance the status and prestige of workers and remind management that worker interests are to be taken into account? If you disagree motivate your answer.

Yes ☐ No ☐

.....
.....
.....

55.20 Indicate with an X whether you agree of disagree with the statement.
Selfmanagement-work teams lead to:

- Maximum development and utilization of human resources; Yes ☐ No ☐
- Creative potentialities of the workforce; Yes ☐ No ☐
- Responsibility towards work and social ownership being fostered; Yes ☐ No ☐
- More effective decision-making, planning ; Yes ☐ No ☐
- Workers acquiring competence and confidence. Yes ☐ No ☐
- Redundancy of middle management and first line supervisors Yes ☐ No ☐

If you disagree with one or more of the above points, motivate your answer.

.....
.....
.....
.....

THANK YOU FOR YOUR CO-OPERATION!!

APPENDIX B

QUESTIONNAIRE STATISTICS

21 Respondents did not answer section D

The total respondents answering each question is as follows:

Questions	Respondents
5.1	68
5.2	71
5.3	77
5.4	70
5.5	75
5.6	74
5.7	72
5.8	61
5.9	60
5.10	56
5.11	66
5.12	68
5.13	6
5.14	6
5.15	5
5.16	8
5.17	6
5.18	6
5.19	7
5.20	8

OPSOMMING

WERKNEMERSDEELNAME AS 'N VORM VAN SOSIALE VERANDERING EN DIE EFFEK DAARVAN OP ARBEIDSVERHOUDINGE

Die doel van die studie is primêr om 'n duidelike begrip te gee oor wat die konsep van werknemersdeelname as 'n vorm van sosiale verandering behels as 'n proses om werksplek-demokrasie te realiseer. Uiteraard moes die impak wat die proses van werkersdeelname as 'n vorm van sosiale verandering op arbeidsverhoudinge het, ook aan die bod kom. Vervolgens is voorstelle gemaak hoe om hierdie proses te implementeer binne die Suid Afrikaanse konteks. Die voorstelle is ontwerp om moontlike implementeringsprobleme te oorkom en te voorkom. Die studie is saamgestel vanuit verskeie literatuurbronne, 'n persoonlike onderhoud en praktiese navorsing by Lethabo Kragstasie.

Daar bestaan verskeie persepsies en opinies aangaande werkersdeelname gegrond op diverse teorieë en ideologieë. Hierdie aspek kom duidelik na vore waar vakbonde werkersdeelname wat gegrondves is in die sosialistiese ideologie as 'n metode gebruik om werksplekdemokratisering te realiseer. Die vraag ontstaan dan wat bedoel word met werksplekdemokratisering? Dit kom voor dat dit in menige geval net nog 'n proses van magsgeding tussen die werkersmag en bestuur is.

Daar is gekyk na die eienskappe van verskeie vorme van werkersdeelname en wat die effek daarvan is op arbeidsverhoudinge. Die navorser het enkele gebreke ontdek met betrekking tot werkersdeelname; alhoewel die vorme van werknemersdeelname werknemerbemagtiging bevorder, kan dit nie waarborg dat werknemers aanspreeklikheid aanvaar vir besluite wat hul neem nie, en tweedens kon die aanname dat werkersdeelname lei tot arbeidsvrede nie gestaaf word nie, aangesien stakings steeds 'n hoë syfer toon ongeag die instelling van werkersdeelname. Geen voordele wat werkersdeelname inhou kon gekwantifiseer word nie, met die uitsluiting van werknemerbemagtiging.

Die vraag kan dus gestel word of die Wet op Arbeidsverhoudinge wat werksplekforums ingestel het, werklik ten doel het om arbeidsverhoudinge positief te beïnvloed. Is dit maar net 'n ander metode wat deur die regering ingestel is om sy politieke aspirasies te bevorder, sedert daar skeuring ingetree het tussen ANC/SAKP/COSATU nie? Werknemersdeelname is effektief as 'n vorm van bemagtiging waar dit die werksplek van die werknemer behels. Die navorser glo vas dat die werkersmag te onvolwasse is om werklik aanspreeklikheid te aanvaar vir besluite van groter omvang. Werkersdeelname word grootliks gebruik om mag te bekom en nie arbeidsvrede en arbeidsverhoudinge te bevorder nie.

ABSTRACT

EMPLOYEE PARTICIPATION AS A FORM OF SOCIAL CHANGE AND ITS EFFECT ON LABOUR RELATIONS

The purpose of the study is to give a clear definition of worker participation as a process to make workplace democracy a reality. Suggestions are made on how this process should be implemented in the South African context to prevent or to overcome possible problems. During the study various literature resources were used as well as a personal interview and practical research that was launched at Lethabo Power Station. Worker participation is studied against this background as a form of social change and the researcher has shown its effect on labour relations.

Various perceptions and opinions exist in terms of worker participation that are based on diverse theories and ideologies. The unions use worker participation that is based in socialism as a method to implement workplace democracy. Seeing workplace democracy thus, the question to the true meaning of workplace democracy arose. It seems to be just another variant of power struggle between management and the workforce.

The focus fell on various participative schemes and their effect on labour relations. The researcher found some shortcomings in relation to participation: although worker participation improves empowerment, it does not guarantee that workers will accept accountability for the decisions that they take; and secondly the statement that participation improves labour peace cannot be supported. It became clear from the practical research that strikes continued although participation has been implemented with much success in terms of empowerment.

The question can therefore be asked with what purpose in mind did the Labour Relations Act determine that workplace forums must be implemented in South African organizations? It seems to be just another way through which the government is trying to fulfil their political aspirations, since divisions over certain issues exist between the ANC/SACP/COSATU. The researcher made the assumption that although worker participation is an effective method to improve empowerment where it involves decisions regarding the workplace, it can be disastrous in terms of decisions of greater importance. The workforce is uneducated and immature to handle decisions that require not only responsibility, but also accountability. It is clear that worker participation does not positively affect labour relations in terms of labour peace.

BIBLIOGRAPHY

ANON. 1977. Worker self-management in industry: the West European experience. (In Garson.G.D., ed.) New York : Praeger.

ANON. 1979. Work and power: the liberation of work and the control of political power. (In Burns, T.R., Karlsson, L.E. & Rus, V., eds) London : Sage Publications.

ANON. 1981. Worker's participation in decisions within undertakings. Geneva : International Labour Office.

ANON. 1991. Participative management. Boston, Mass : Harvard Business School.

ANON. 1994. Motor Industry: worker participation. *Financial Mail*, 134(8):70, Nov.

ANON. 1995a. Workplace change through worker participation. Part I. *Business Alert*, 164:1-13, March.

ANON. 1995b. Workplace change through worker participation. Part II. *Business Alert*, 165:1-11, April.

ANON. 1995c. Explanatory Memorandum to the Draft Labour Relations Bill, 1995. *Industrial Law Journal*, 16(2) : 278-336.

ANON. 1996. Productivity: adapt or die?: business. *Financial Mail*, 142(4):101-102, Sep.

ANON. 1998a. SA ekonomie op sy knieë: verskeie faktore het ekonomie in wurggreep – Vrystaat en Noordkaap ly skade. *Die/The Bulletin* : Nov.

ANON. 1998b. Cosatu is right: Gear must go: Cosatu too: it may be time to speak to the IMF. *Financial Mail*, 149(10):14, Jun.

ANSTEY, M. 1990a. Worker participation: South African options and experiences: proceedings of the 1989 Conference on Worker Participation. Cape Town : Juta.

ANSTEY, M. 1990b. Worker participation: concepts and issues. (In Anstey, M., ed. Worker participation: South African options and experiences: proceedings of the 1989 Conference on Worker Participation. Cape Town : Juta. p. 1-34).

ANSTEY, M, 1991a. Employee participation. (In Anon. Participative management. Boston, Mass. : Harvard Business School. p. 1-16).

ANSTEY, M. 1991b. Trends in employee participation: a comparative overview. (In Anon. Participative management. Boston, Mass. : Harvard Business School. p.17-55).

ANSTEY, M. 1991c. Workplace Forums in South Africa. (In Anon. Participative management. Boston, Mass. : Harvard Business School. p. 85-102).

ANSTEY, M. 1991d. German codetermination and South African Workplace Forums Compared. (In Anon. Employee Participation. Boston, Mass. : Harvard Business School. p.103-118).

ANSTEY, M. 1991e. Emerging Trends and Issues in Employee participation at the level of the enterprise. (In Anon. Employee Participation. Boston, Mass. : Harvard Business School. p.160-187).

ANSTEY, M. 1995. Can South African industrial relations move beyond adversarialism? Some comparative perspective on the prospects of workplace forums in South Africa. *South African journal of labour relations*, 19:2-43.

APPELBAUM, R.P. 1970. Theories of social change. Boston, Mass. : Houghton Mifflin.

BAARD, J. 1996. The new industrial relations dispensation and its impact on the clothing and textile pipeline. *People dynamics,* 14(9):30-34, Oct.

BABBIE, E. 1990. Survey research methods. Belmont, Calif. : Wadsworth.

BALENI, F. 1996. Strategic unionism in the new South Africa. *South African labour bulletin*, 20(3):79-81, Jun.

BANKS, A. 1994. Participating in management: union organising on a new terrain. *South African labour bulletin,* 18(5):102-106, Nov.

BAILEY, J. 1975. Social theory for planning. London : Routledge & Kegan Paul.

BAILEY, K. D. 1982. Methods of social research. New York : Free Press.

BALZER, R. 1988. Twelve lessons for managers interested in employee involvement and/or participative management. *Productivity SA*, 14(2):30-33, Apr/May.

BANKS, 1994. Participative management and labour. *SA labour bulletin*, 18(5):106.

BARLING, J.I. 1976. The application of Maslow's need hierarchy and Bass's accelerate-decelerate formulation to three levels of mining personnel. Johannesburg : University of the Witwatersrand. (Dissertation – B.A. Hons.).

BARRET, J. 1993. Participation at premier: worker empowerment or co-option? *SA labour bulletin*, 17(2):62-67, March/April.

BATSTONE, E. 1979. Systems of domination, accommodation and industrial democracy. (In Burns, T.R., Karlsson, L.E., & Rus, V. Work and power: the liberation of work and the control of political power. London : Sage, p.249-274).

BAUMGARTNER, T., BURNS, T.R., & DEVILLE, P. 1979. Work, politics, and social structuring under capitalism: impact and limitations of industrial democracy reforms under capitalist relations of production and social reproduction. (In Burns, T.R., Karlsson, L.E., & Rus, V. Work and power. The liberation of work and the control of political power. London : Sage. p.81 – 140).

BEKKER, D. 1995. Profit sharing: friend or foe? *Human resource management*. 11(4):22-23, May.

BELL, T. 1998. Fear, betrayal and apartheid embers seed Eskom fire. *The Star*. : 2, July, 13.

BENDIX, S. 1991. Industrial relations in South Africa. Cape Town : Juta.

BENDIX, S.1992. Industrial relations in South Africa. 2nd ed. Cape Town : Juta.

BENDIX, S. 1996. Industrial relations in the new South Africa. Cape Town : Juta.

BISSEKER, C & LAURENCE, P. 1998. What gospel will minister preach to divided house?: profile : Shepperd Mdladlana. *Financial Mail*, 149(12):38-39, July.

BLANPAIN, R. (In Jain, H.C. & Laloux-Jain, G. eds. 1980. Worker participation: success and problems. New York : Praeger Publishers. p.1-4).

BLEAZARD, B. 1995. Examine it closely: in my opinion. *Financial Mail*, 135(12):44.

BRAND, H.E., THERON, S.W. & MEYER, J.A. 1992. 'n Evaluering van die effek van gehaltekringe op werkshoudings in 'n nasionale diensorganisasie. *Suid Afrikaanse tydskrif vir ekonomiese en bestuurswetenskappe*, 7:49-56, Winter.

BREDENKAMP, C., DE WET, J., DU PLESSIS, D. & RENSBURG, R. 1991. Kommunikasiekunde (CMN 208-5). Pretoria: UNISA p.61-64., 66., p.68. (Interkulturele, politieke en organisatoriese kommunikasie, skakelwese en reklame).

BODEN, A. 1998. Employee empowerment ensures corporate health. *Management today*, 14(7):32/34, Aug.

BORNMAN, L. 1992. Managing for learning. *People dynamics*. 10(8):19-22, May.

BUHLUNGU, S. 1992. Conflict and co-operation: case studies in worker participation by Judy Maller. *South African labour bulletin*, 16(7):74-77, Sep/Oct.

BUSSIN, M. & THOMSON,D. 1995. Gaining pace with gainsharing. *People dynamics*. 13(6):22-25, Jun.

CALITZ, P. 1996. Werknemersdeelname in die praktisering van arbeidsverhoudinge. Potchefstroom: PU vir CHO. (Proefskrif – Ph.D.).

CALLAHAN, R.E, FEENOR, C.P. & KNUDSON, H.R. 1986. Understanding organizational behavior: a managerial view point. Columbus : Merrill.

CANGEMI, J.P. 1988. A pragmatist's view of participative management. (In Cangemi, J.P, Claypool, J.C. & Kowalski, C.J. eds. Participative management: employee-management cooperation : a practical approach. New York : Philosophical Library. p.1-9).

CARRUTHERS, M. 1996. Quality, safety, health all part of a participative culture. *Human resource management*, 12(3):21-23, Apr.

CLOVER, V.T. & BALSLEY, H.L.. 1988. Business research methods. 2nd ed. Columbus, Ohio. : Publishing Horizons.

COLDWELL, D.A.L. 1992. Forum: management participation programmes versus union influence: is there a trade-off? *South African journal of labour relations*, 16:65-70.

COLE, D.W. 1988. Participative Management Professional suicide or Organizational Murder? (In Cangemi, J.P, Kowalski, C.J., Claypool, J.C. eds. Participative management: : employee-management cooperation :a practical approach. New York : Philosophical Library. p. 94-103).

COOKE, W.N. 1994. Employee participation programmes, group-based incentives and company performance: a union – non-union comparison. *Industrial and labour relations review*, 47(4):594-609, Jul.

COPELYN, J. 1994. Politics and the choices facing orgnanised labour. (In Patel, E. ed. Worker rigths: from apartheid to democracy - what role for organized labour? Kenwyn : Juta. p. 65-76).

COYE, R.W. & BELOHLAV, J.A. 1995. An exploratory analysis of employee participation. *Group & organizational management*, 20(1):4-17, Mar.

CUFF, E.C. & PAYNE, G.C.F., eds. 1979. Perspectives in sociology. London : Allen & Unwin.

DEALE, P. 1995. Meeting eye to eye: the workings of workplace forums. *People dynamics*, 13(9):18-23, Sep.

DELPORT, P. 1995. Korporatiewe reg en werkplekforums. *De jure*, 28(2):409-418.

DE VILLIERS, D. 1982. Die aard en omvang van arbeidsbetrekkinge. Pretoria : SA Yster-, Staal- en verwante Nywerhede unie.

DE VILLIERS, L.P. 1999. Interview with author. Vereeniging.

DEWAR, S. Total worker involvement at Toyota. (In Anstey, M. ed. 1990. Worker participation: South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town : Juta p.245-256).

DE WITT, D. 1998. HR challenges for organisational transformation. Part 2. *Management Today*. 14(1):28,31, Feb.

DLAMINI, K. 1997. Deferring conflict? industrial relations in the motor industry. *Indicator SA*. 14(2): 41-45, Winter.

DOUWES-DEKKER, L. 1990. Organised employers and labour at social policy levels. (In Anstey, M. ed. 1990. Worker participation. South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town : Juta. p.125-189).

DU PLESSIS, G. P. 1984. 'n Stelsel vir die bevordering van arbeidsverhoudinge binne die stadsraad vir Lekoa. PU vir CHO (Skripsie – M.A.).

DU TOIT, M.A. 1990. The development of management thought. (In Kroon, J. ed., General Management. Pretoria : Haum. p.25-59).

DUNLOP, J.T. 1958. Industrial relations systems. Carbondale, Illinois. : Southern Illinois University Press.

EBERSOHN, F. 1994. Magsdelings in die werkplek: wette en kwotas nie die spil van swart ekonomiese bemagtiging nie. *Finansies & tegniek*, 46(12):57, Mar.

EMERY, F. 1995. Participative design: effective flexible and successful, now. *Journal for quality and participation*, 18(1):6-9, Jan/Feb.

ENSOR, L. 1993. Unions weigh up their relationship with a future government. *Business day* : 23, June 3.

EVANS, G. 1992. Worker participation at PG Bison. *South African labour bulletin*. 16(3):40-51, Jan.

FARRELL, J.D. 1977. Arbeidsbetrekking: nuwe wetenskapaspekte van arbeidsbetrekkinge. Pretoria : Unisa.

FINNEMORE, M & VAN DER MERWE, R. 1996. Introduction to labour relations in South Africa. 4th ed. Durban : Butterworth.

FROST, T. 1988. Real corporate responsibility in South Africa. *IPM journal*, 7(2):18-20, Jul.

FURLONGER, D. & Ryan, B. 1996. Samancor: white-hot performer: corporate report: Supplement. *Financial Mail*, 141(12):1-42, Aug.

GABLER, C.J. 1977. Participation and the working of the price mechanism in a market economy. (In Heathfield, D. F., ed. The economics of co-determination. London : The Macmillan Press. p. 46-60).

GAMSON, W.A. 1968. Power and discontent. Homewood, Illinios. : Dorsey Press.

GARSON, G.D. 1977. Paradoxes of worker participation. (In Garson, G.D ed. Worker self-management: West European experience. New York : Praeger. p. 214-230).

GATHERCOLE, J. 1992. Flexibility in organisational and employment practices. *People dynamics*, 10(5):8-12, Feb.

GELDERBLOM, D. 1994. Emile Durkheim's sociology of morality and the individual. (In Allais, C. & McKay, V. eds. Social theory. Johannesburg : Lexicon Publishers. p.100-117).

GERBER, P.D., NEL, P.S., VAN WYK, P.S. 1995. Menslike hulpbronbestuur. 3de Uitg. Johannesburg : Southern.

GORDON, J.R. 1993. A diagnostic approach to organizational behavior. 4th ed. London : Allyn & Bacon.

GRANGE, H. 1993. Cosatu may go own way after poll. *Die Beeld*: 15, Nov 4.

HALL, C.S., LINDZEY, G., LOEHLIN, J.C. & MANOSEVITZ, M. 1985. Theories of personality. New York : Wiley.

HARPER, C.L. 1993. Exploring social change. 2nd edition. Englewood Cliffs, N.J. : Prentice Hall.

HAWKINS, C.J. 1977. Some effects of worker participation and the distribution of income. (In Heathfield, D. F., ed. The economics of co-determination. London : The Macmillan Press. p. 36-45).

HEATHFIELD, D. F. 1977. The Economics of co-determination (In Heathfield, D. F., ed. The economics of co-determination. London : The Macmillan Press. p. 1-12).

HEYMANS, P. 1994. The relationship of the trade union movement to a democratic government: Fedsal perspective. (In Patel, E. ed. Worker Rigths: from apartheid to democracy - what role for organized labour?. Kenwyn : Juta. p.79-82).

HOMANS, G.C. 1950. The human groups. New York : Harcourt Brace.

HORVAT, B. 1979. Paths of transition to workers' self-management in the developed capitalist countries. (In Bruns, T.R., Karlsson L.E. & Rus Veljiko. Work and power: the liberation of work and the control of political power. London : Sage Publications. p. 49 –80).

HORWITZ, F.M. 1988. Employee stakeholding: an alternative form of organisational governance? *South African journal of labour relations*, 12(1):5-14, Mar.

HORWITZ, F.M. Employee financial paricipation. (In Anstey, M. ed. 1990. Worker Participation: South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town : Juta. p.99-124).

HOUGH, M.H. 1988. Die sosiale verantwoordelikheid van enkele verwante ondernemings in streek J met betrekking tot die lewenskwaliteit van swart werknemers. Potchefstroom : PU vir CHO. (Verhandeling – M.A.).

HUMAN, P. & HORWITZ, F. 1992. On the edge: how the South African business organisation copes with change. Kenwyn : Juta.

HUNNIUS, G. 1979. On the nature of capitalist-initiated innovations in the workplace. (In Burns, T.R, Karlson, L.E. & Veljko, R. Work and power: the liberation of work and the control of political power. London : Sage Publications. p.275-312).

HUSS, A & DANIEL, R. 1987. Implementing quality circles in the face of mismanagement and union pressure. *IPM journal*, 6(5):9-14, Sep.

HYLAND, L.J. 1995. Democratic theory: the philosophical foundations. Manchester : Manchester University Press.

IVANCEVICH, J.M. & MATTESON, M.T. 1993. Organizational behaviour and management. Illinois: Irwin.

JAIN, C. (In Jain, H.C. & Laloux-Jain, G. 1980. Worker participation: success and problems. New York : Praeger. p.3-100).

JAMES, D & HORWITZ, F.M. 1992. Actual and preferred worker participation: study of the propensity of managers and workers to participate. *South African journal of labour relations,* 16:3-30.

JAFFEE, G. Worker co-operatives: their emergence, problems and potential. (In Anstey, M. 1990. Worker participation: South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town : Juta. p.191-212).

JOFFE, A. 1995. Seeing things differently. *Productivity SA*, 21(3):10-15, May.

JOHNSON, D.P. 1981. Sociological theory: classical founders and contemporary perspectives. New York : Macmillan.

JOHNSON, R. W. 1995. ANC faces clash with unions. *The Star*: 22, March, 21.

KATZ, D. & KAHN, R.L. 1966. The social psychology of organizations. New York : John Wiley.

KATZ, M. 1995. Learning, focus: empowerment is power-ful. *People dynamics*, 13(10):37, Oct.

KEMP, N. 1992. Labour relations strategies: an interactional approach. Cape Town : Juta.

KESTER, G. 1991. Democratic workers participation in Africa. (In Anstey, M. ed. Employee participation and workplace forums. Kenwyn : Juta p.56-84).

KHUMALO, B. 1995. Going for maximum consensus: people management at Eskom. *People dynamics*, 13(11):34-38, Nov.

KOCHAN, T.A. 1980. Collective bargaining and industrial relations. Homewood, Illinois : Irwin.

KOCHAN, T.A. 1994. Labour and employment policies for a global economy. *Industrial law journal*, 15(4):689-707.

KRUGER, S. 1991. Die bestuursomgewing. (In Kroon, J., red. Algemene bestuur. 2de uitg. Pretoria : Haum. p.61-84).

KRUGER, A.W. 1995. Die herposisionering van 'n vakbondfederasie in 'n veranderende makro-omgewing. Potchefstroom : PU vir CHO. (Verhandeling - M.Com.). 182 p.

LA PIERRE, R.T. 1965. Social change. New York : McGraw Hill.

LAWLER, E.E., 1986. High-involvement management. San Francisco, Calif. : Jossey-Bass.

LAYDER, D. 1994. Understanding social theory. London : Sage.

LEDFORD, G.E. & LAWLER, E. 1994. Research on employee participation: beating a dead horse? *Academy of management review*, 19(4):633-636, Oct.

LEHULERE, O. 1995. Workplace forums: co-determination and workers' struggle. *South African labour bulletin*, 19(2):41-46.

LEON, T. 1999. The need to curb union power. *People management resources*, (3):10-11, Feb.

LESSING, K. 1996a. Werksgroepe vir kleinsake: mannekragbestuur. *Entrepreneur*. (5):4-5,15.

LESSING, K. 1996b. Die vorming van groepe in ondernemings. *Entrepreneur*. (7):6-7,15.

LIKERT, R. 1961. New patterns of management. New York : McGraw-Hill.

LORD, J. 1995. Participation schemes in the South African mining industry: the impact of managerial accounting, communication and control systems. *De ratione*, 9(1):9-28.

MALA, J. 1998. Failing to get into top gear: ANC/SACP/Cosatu: current affairs. *Financial Mail*. 149(9):34, Jun.

MALEPE, P. 1994. Don't let management do it alone. *South African labour bulletin*, 18(5):111-112, Nov.

MANDELA, N. 1998. Politics and unions. *South African labour bulletin*, 22(1):41-43, Feb.

MARAIS, P. & ISRAELSTAM, I. 1997a. Workplace forums: equipping the parties for a new co-determination approach. *People dynamics*, 15(1):28-31. Jan.

MARAIS, P. & ISRAELSTAM, I. 1997b. Co-determining a company's workplace forum system. Part III. *People dynamics*, 15(3):40-44.

MARAIS, P & ISRAELSTAM, I. 1997c. Your tool kit for implementing workplace forums. Part IV. *People dynamics*, 15(4): 34-44.

MARAIS, P & ISRAELSTAM, I. 1997d. Stages of implementation: workplace forums. *People dynamics,* 15(5):38-41.

MARAIS, P & ISRAELSTAM, I. 1997e. Effective workplace forums. Part II. The need to remove cancerous attitudes. *People dynamics*, 15(2):38-43, Feb.

MARCHINGTON, M. 1993. Employee participation. (In Towers, B. ed. A handbook of industrial relations practice. Practice and the Law in the employment relationship. London: Kogan Page p. 208-225).

MAREE, J. 1995. Workplace change through worker participation. Part II. *Business alert*, 165:1-11, Apr.

MARGERISON, C.J. 1979. What do we mean by industrial relations? A behavioural science approach. *British journal of industrial relations*, 3(2):32-34.

MASLOW, A.H. 1996. A theory of human motivation. (In Matteson, M.T. & Ivancevich, J.M., eds. Management and organizational behaviour classics. Chicago, Illinois : Irwin. p.341-361).

MASTRANTONIS, H & NEL, C. 1995. The move towards democracy at work. *People dynamics*, 13(3):18-22, Mar.

MARITZ, F. 1995. Leadership and mobilising potential: the art of the possible and the science of the probable. *Human resource management*, 11(9):8-16, Oct.

MARTIN, B. 1999. Employee participation in managing employee relationships. *Management today*, 15(1):32-33, Feb.

MARX, A. 1992. Hoe om met wenkeskemas geld te maak: spesiale verslag. *Finansies & tegniek*, 44(31):40, Aug.

MAYO, E. 1945. The social problems of an industrial civilisation. New York : Carnegie.

MBEKI, G. 1992. The struggle for liberation in South Africa: a short history. Belville : University of the Western Cape. Mayibuye Centre for History and Culture in South Africa. 113 p.

MBIGI, L. 1998. In search of the rainbow vision: the challenge of diversity management in South African organisations. *People dynamics*, 16(7):34-39, July.

MCGREGOR, D. 1960. The human side of enterprise. New York : McGraw-Hill.

MCKEEFRY, J. 1998. Inclusivity as the key to successful transformation. *Management today*, 14(2):41/43, Mar.

MCLAGAN, P & NEL, C. 1995. The age of participation. Randburg : Knowledge Resources.

MCLAGAN, P. & NEL, C. 1996. The shift to participation. Part 1. *People dynamics*, 14(5):12-17, Jun.

MDONGO, L. 1995. Empowering employees: creating energy for continuous improvement. *Human resource management*, 11(2):14-16, Mar.

MEYER, W.F., MOORE, C. & VILJOEN, H.G. 1993. Persoonlikheids-teorie van Freud tot Frankl. Johannesburg : Lexicon Uitgewers.

MILES, R.E. 1975. Theories of management: implications for organizational behaviour and development. New York : McGraw-Hill.

MILES, M. 1996a. Can codetermination work in South Africa? Part I. *People dynamics*, 14(7):36-42, Aug.

MILES, M. 1996b. Can codetermination work in South Africa? Part II. *People dynamics*, 14(8):26-29, Sep.

MILL, J. 1992. Essay on Government. (In Arthur, J. ed. Democracy: theory and practice. Belmont : Wadsworth Publishing company. p.43-49).

MILLS, D.Q. 1995. The new management system. *European management journal*, 13(3):36-41, Aug.

MITTNER, M. 1994a. Nog krake in die ANC/Cosatu alliansie. *Finansies en tegniek*, 46(43):47, Okt.

MITTNER, M. 1994b. Maak reg vir groter werkerdeelname. *Finansies & tegniek*, 46(44):56, Nov.

MITTNER, M. 1995a. Cosatu besin diep oor arbeidswet. *Finansies & tegniek*, 47(12):9, Mar.

MITTNER, M. 1995b. 'Haastige' Arbeidswet laat kritiek oplaai: Cosatu-lede in staande komitee wil die wet nog meer 'werker-vriendlik' maak: proses-herontwerp wen veld. *Finansies & tegniek*, 47(35):31, Aug.

MITTNER, M. 1995c. Hoekom verander ondernemings nie? *Finansies & tegniek*, 47(11):78, Mar.

MITTNER, M. 1996. Deelname-era is hier .. of is dit?: dis wat ondernemings prakties kan doen: bestuur. *Finansies & tegniek*, 48(16):34, Apr.

MITTNER, M. 1998. Kenners krap kop oor Cosatu en regering: nuusfokus. *Finansies & tegniek*, 50(26):14, Jul.

MITTNER, M. 1999. Cosatu al meer ondergeskik aan ANC: arbeid. *Finansies & tegniek*, 51(8):45, Feb.

MOOLMAN, L. 1993. Enkele aspekte rakende die effektiewe bestuur van arbeidsverhoudinge binne ondernemingsverband. Potchefstroom : PU vir CHO. (Verhandeling – M.Com.).

MOOLMAN, L. 1996. Die rol van arbeidsverhoudinge in veranderingsbestuur, regstellende optrede en diversiteit. Vanderbijlpark : PU vir CHO. (Proefskrif – Ph.D.).

MULDER, J.S. 1994. Die invloed van enkele eksterne faktore op arbeidsverhoudinge by 'n goudmyn in die Wes-Transvaal. Potchefstroom : PU vir CHO. (Proefskrif – Ph.D.).

MYERS, M.T & MYERS, G.F. 1982. Managing communication: an organizational approach. New York : McGraw-Hill.

NARAYANAN, V.K. & NATH, N. 1993. Organization theory: a strategic approach. Burr Ridge, Illinois : Irwin.

NDALA, R. 1998. Change. *Productivity SA*, 24:27-28, March/Apr.

NEGOTA, G. 1992. Employee involvement: tension between vision and reality. *Human resource management*, 8(3):8-10, Apr.

NEL, C. 1994. Value-centered leadership: the journey to becoming a world-class organisation. (In Christie, P., Lessem, R., & Mbigi, L., eds. African management: philosophies, concepts and applications. Randburg : Knowledge Resources. p. 125-141).

NEL, J. 1987. Participation: the golden thread of excellence. *IPM journal*, 6(5):28-33, Sep.

NGCUKANA, S. 1994. The relationship of the trade union movement to a democratic government: Nactu perspective. (In Patel, E. ed. Worker rigths: from apartheid to democracy - what role for organized labour? Kenwyn : Juta & Co. Ltd. p.55-65).

NTSHANGASE, W & SOLOMONS, A. 1993. Adversarial participation: a union response to participatory management. *Human resource management*, 17(4):31-35, Jul./Aug.

NUPEN, C. Collective Bargaining: realities in South Africa. (In Anstey, M., ed. 1990. Worker participation: South African options and experiences: proceedings of the 1989 Conference on Worker Participation. Cape Town : Juta. p. 35-47).

NYAKA, S. 1998. Is the tripartite alliance in danger of collapse? *Tribute*, :43-44, Sept.

OLIVIER, M.P. 1996. Workplace forums: critical questions from a labour law perspective. *Industrial law journal*, 17(5): 803-814.

O'REGAN, C. 1990. Possibilities for worker participation in corporate decision-making. *Acta juridica*, p. 113-132.

PARKIN, F. 1986. Max Weber. London : Routledge.

PARR, L. 1996. The risky business of developing world-class manufacturing performance. *People dynamics*, 14(1):26-31, Feb.

PATEL. E. 1994. The role of organised labour in a democratic South Africa: some issues and debates. (In Patel, E. ed. Worker rigths: from apartheid to democracy - what role for organized labour? Kenwyn : Juta. p.31-49).

PATEMAN, C. 1970. Participation and democratic theory. Cambridge : Cambridge University Press.

PATEMAN, C. 1992. A participatory theory of democracy. (In Arthur, J. ed. Democracy: theory and practice. Belmont : Wadsworth Publishing Company. p.106-121).

PFEFFER, J. 1978. Organizational design. Arlington Heights, Illinios : AHM Publishing.

PLAUT, M. 1991. Politics and unions: trade union debates. *The Innes labour brief*, 3(3): 44-54.

PONS, A. 1993. Participation and productivity. *People dynamics*, 11(10):12-16, Aug.

PONS, A. 1993. Industrial relations handbook: a practical guide on effective industrial relations policies, procedures and practices for South African managers. Cape Town : Juta.

POOLE, M. 1986. Towards a new industrial democracy: workers' participation in industry. London : Routledge & Kegan Paul.

POWELL, C. 1993. The options for worker participation in South Africa. *Responsa meridiana,* 6(3):204-229, Oct.

POWER, D. Employee involvement in the USA. (In Anstey, M., ed. 1990. Worker participation: South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town : Juta. p. 74-97).

PRETORIUS, B. 1996. Winning organisations: what will be required in the future. *Human recourse management*, 11(10):20-22.

QWELANE, J. 1998. Three heads are better than one?: economy. *Enterprise*, (124):78/80, Aug.

RADEMEYER, L. 1993. Ingrypende regte vir vakbonde voorgestel. *Die Beeld*: 4 Aug. p. 10.

RAMAPHOSA, C. 1990. The role of organised labour in a united South Africa. (Paper delivered at the conference on investment in a post-apartheid South Africa. 12 November 1990). Claridge. 5p. (unpublished).

RITZER, G. 1988. Contemporary sociological theory. 3nd edition. New York : McGraw-Hill.

ROBBINS, S.P. 1980. The administrative process. New Jersey : Prentice Hall.

ROBBINS, S.P. 1988. Management: concepts and applications. 2nd edition. London : Prentice-Hall.

ROBBINS, S.P. 1990. Organization theory: structure, design and applications. London : Prentice Hall.

ROBINSON, B. Trends in West Germany. (In Anstey, M., ed. 1990. Worker participation: South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town : Juta. p. 50-71).

ROTHWELL, W.J., SULLIVAN, R. & MCLEAN, G.N., eds. 1995. Practicing organization development : a guide for consultants. Johannesburg : Pfeiffer.

ROUSSEAU, J.J. 1992. The General Will. (In Arthur, J. ed. Democracy: theory and practice. Belmont : Wadsworth Publishing Company. p.3-12).

RUS, V. 1979. Limited effects of workers' participation and political counter-power. (In Burns, T.R., Karlsson, L.E., & Rus, V. Work and power: the liberation of work and the control of political power. London : Sage Publications. p.223 – 248).

SALAMON, M. 1987. Industrial relations: theory and practice. New York: Prentice-Hall

SCHEIN, E.H. 1980. Organisational psychology. London : Prentice-Hall.

SCHUITEMA, E. 1995. The problem of work place democracy . *Human resource management*, 11(4):15-17, May.

SCHUTTE, P.C. & PIETERSE, D.J.C. 1989. Challenges facing IR practitioner in South Africa of the future. *South African journal of labour relations*, 13(3):45-56, Sep.

SHILOWA, S. 1994. The relationship of the trade union movement to a democratic government. A Cosatu perspective. (In Patel, E. ed. Worker rights: from apartheid to democracy: what role for organized labour? Kenwyn : Juta. p.1-29).

SEFELE, M. 1998. The union and politics. *South African labour bulletin*, 22(4):93-95, Aug.

SIMONCELLI, F. 1994. Vind areas vir deelnemende bestuur in u onderneming. *Entrepreneur*, 13(2): 1-14, Mar.

SLABBERT, J.A. 1987. Vakbondwese en arbeidsverhoudinge. Kaapstad : Nasionale Boekdrukkery.

SLABBERT, J.A. & MATTHEWS, P.J. 1990. The field of study of industrial relations. (In Slabbert, J.A., Prinsloo, J.J. & Backer, W., eds. Managing industrial relations in South Africa. Pretoria : Digma. p.1-1 – 1-24).

SLABBERT, J.A. & MATTHEWS, P.J. 1993. The field of study of industrial relations. (In Slabbert, J.A., Prinsloo, J.J. & Backer, W., eds. Managing industrial relations in South Africa. Pretoria : Digma. P.1-6, 1-7).

SMITH, B. Volkswagen's holistic approach to worker participation. (In Anstey, M. ed. 1990. Worker participation: South African options and experiences: proceedings of the 1989 conference on worker participation. Cape Town :Juta. p.225-244).

SMITH, B. 1995. Workplace change through worker participation: part II. *Business alert*, 165:1-11, Apr.

SNYMAN, C. 1997. Die invloed van veranderingsbestuur op die arbeidsverhouding. Potchefstroom : PU vir CHO. (Verhandeling – M.A.).

SONO, T. 1999. Bemagtig individue, nie groepe: regstellende optrede. *Finansies & tegniek*, 51(2):22, Jan.

STEYN, A.F. & VAN RENSBURG, H.C.J. 1985. Sosiologie. Pretoria : Academica.

ST. LAWRENCE, D & STINNETT, B. 1994. Powerful planning with simple techniques. *Quality progress*, 27(7): 57 –64, Jul.

STREECK, W. 1994. Co-determination and trade unions. *South African labour bulletin*, 18(5):87-95, Nov.

SUMMERS, C. 1985. Workplace forums from a comparative perspective. *Industrial law journal, 16(4):806-813.*

TAYLOR, F.W. 1911. The principles of scientific management. New York : Harper & Brothers.

TEKE, M. 1997. Empowering the South African worker. *People dynamics*, 15(10):22/31, Oct.

TOMPKINS, T. R. 1988. Increased productivity and employee satisfaction. (In, Cangemi, J.P, Kowalski, C.J., Claypool, J.C. ed. Participative management: a practical approach. New York : Philosophical Library. p.94-103).

VAGO, S. 1980. Social change. New York : Holt, Rinehart and Winston.

VAN DER MERWE, A. 1994a. Talcott Parsons' general analytic theory. (*In* Allais, C. & McKay, V. eds. Social theory. Johannesburg : Lexicon Publishers. p.187-205).

VAN DER MERWE, A.J. 1994b. Working together: changes and challenges for relationships on the shopfloor. *South African journal of sociology*, 25(4):137-142, Nov.

VAN DER WALT, R. 1998. Are work place forums suited to small businesses? *Management today*, 14(4):27, May.

VAN DER WALT, R. 1999. Workplace forums: efficiency and democracy? *South African labour bulletin*. 23(1):69, Feb.

VANEK, J. 1979. Self-management and cooperation as the vehicle of the new world economic order. (In Burns, T.R, Karlsson, L.E. & Rus, V. Work and power: the liberation of work and the control of political power. Londen : Sage Publications. p.369-388).

VAN WYK, C. de W. (Red)., MOLL, L.J., DU PREEZ, L.A.T.J., RATSHIKHOPA, N.E. & VAN DER MERWE, J.J. 1987. Onbillike Arbeidspraktyke. Potchefstroom: PU vir CHO. 69 p. (Wetenskaplike bydraes van die PU vir CHO – Reeks A: Geesteswetenskappe, nr. 64).

VAN ZYL, R. 1997a. Industrial relations in South Africa: a new approach. (In Pennington, S. ed. Guide to implementing workplace forums. Rivonia : S.P.A. Consultants. p.1-11).

VAN ZYL, R. 1997b. Requirements for the establishment of workplace forums. (In Pennington, S. ed. Guide to implementing workplace forums. Rivonia : S.P.A. Consultants. p.15-22).

VAN ZYL, R. 1997c. Research results and implications: (1) labour's views. (In Pennington, S ed. Guide to implementing workplace forums. Rivonia : S.P.A. Consultants. p.33-41).

VAN ZYL, R. 1997d. Research results and implications: (2) and employers perspective. (In Pennington, S. ed. Guide to implementing workplace forums. Rivonia : S.P.A. Consultants. p.42-56).

VAN ZYL, R. 1997e. Implementing Workplace forums: (1) a structured process. (In Pennington, S. ed. Guide to implementing workplace forums. Rivonia : S.P.A. Consultants. p.57-69).

VELDSMAN, T.H. 1992. Making employee involvement work within your organization. (Paper presented at seminar entitled: employee involvement in South Africa: managing the creative tension between visions and realities on 19 and 20 Feb. 1992. Johannesburg: organised by Centre For Individual And Organizational Effectiveness, CTU : Maccauvlei).

VENTER, J. 1997. How to co-operate for participation. *Productivity SA*, 29:28-29, Jul/Aug.

VISSER, W.P., ROODT, G. & SCHEPERS, J.M. 1997. Deelnemende bestuur as funksie van bestuurders se selfkonsep en mensbeskouing. *Journal of industrial psychology*, 23(1):42-49.

VON HOLDT, K. 1995. Workplace forums: undermining unions? *South African labour bulletin*, 19(6):59-64, Dec.

VON HOLDT, K. 1996. Empowering the supervisor at SA engineering. *South African labour bulletin*, 20(2), 51-58, April.

WALLACE, A. & WALLACE, W.D. 1989. Sociology. Second edition. London : Allyn & Bacon.

WALLACE, R.A. & WOLF, A. 1995. Contemporary sociological theory: continuing the classical tradition. 4th ed. Englewood Cliffs, N.J. : Prentice-Hall.

WEBER, J.1991. Workplace change through self-management. *South African labour bulletin*, 16(2):32, May.

WEBSTER, E. 1990. Self-management in Yugoslavia: a failed experiment in democratic socialism? *South African labour bulletin*, 15(1):60-71, June.
WEBSTER, E. 1995. Workplace change through worker participation: part II. *Business alert*, 165:1-11, April.

WILSON, J. 1983. Social theory. New Jersey : Prentice-Hall.

WILSON, J. 1987. Morality of business. *Finance week*, 35(5):268-269, Oct.

WOLMARANS, S. 1997. Successful work teams and work place democracy. *Human resource management*,12(10):30-33.

WOOD, G. 1998. Workplace changes. *Productivity SA*, 24:19-21, May/Jun.

ZAAIMAN, J.J. 1990. The management of change: perspectives on listed South African organisations. Potchefstroom : PU for CHE. (Thesis – D.Phil.).