I. INTRODUCTION

INTRODUCTION

Participative Management is a sophisticated concept in the modern managerial world, at least in Indian Scene. Participation in the decision-making process helps to achieve greater job satisfaction on the part of the employees and higher production on the part of the organisation. The workers can be motivated more effectively through non-monetary incentives than through monetary incentives. It is observed in recent times that participation is one of the best non-monetary incentives. If the organisation applies the participation schemes properly, it is believed that it will be able to improve the production and productivities of the different factors of production. At the same time it serves as a motivator and satisfaction to the employees by meeting their ego needs.

Participative Management is the process of involving subordinates in the decision-making process. It stresses active involvement of the employees. It uses their expertise and creativity in solving important managerial problems. It rests on the concept of shared authority which holds that managers share their managerial authority with their subordinates.
Participative Management, "is a process of delegation of authority and responsibility in the general area of managerial functions. It means sharing in an appropriate manner the decision-making power with the lower ranks of the organisation of an enterprise"."1.

Basically Participative Management, "concerns the actions by which managers involve their subordinates in the decision-making process. Participation includes not only the physical participation of a person but also his intellectual and emotional involvement in the affairs of an organisation"."2.

Participative Management is therefore, a system or process in which workers are called upon to express their views regarding the formulation of policies and decision-making, to the management. This is nothing but a way of satisfying the workers' urge for self-expression and creating in them a feeling of belongingness in order to get their willing co-operation for the efficient working of the organisation. The aim of this system is to make the workers feel that the organisation is their own and its success or failure, is their own success or failure. It would remove the feeling of alienation from the workers towards the management as well as other workers in the same industry.


The Connotation of Workers' Participation in Management will vary according to the Socio-economic goals of the countries. Thus, "Participative Management is a practical way of integrating individual and organisational goals. It gives employees opportunities to play an active role in planning, co-ordinating and controlling their own work and thus makes employees work more meaningful and relevant ..... Participative Management seems to offer a promising route to the satisfaction of employees needs, and, at the same time, increased company profits"\(^3\).

Participative Management has been accepted, "as a tool for improving the overall performance of an enterprise. For them, it means that workers are given an opportunity to take part in those decisions which affect their wages, their working conditions, their very jobs, and this participation paves the ways to harmonious industrial relations in an atmosphere which is conducive to increased productivity and efficiency"\(^4\).

The concept has been developed and applied to such an extent that, "we cannot even count and say how many forms of participation schemes are prevailing in different parts of the world and what is the exact meaning, and significance of this vital aspect of labour-management relation in the decision-making process of management"\(^5\).


\(^5\) Ibid., p.414.
Of what sort and up to what level of authority to permit the workers to participate is an important issue. It has to be decided by the management taking into consideration, the capability of the employees to contribute in decision-making. Though these two elements differ from enterprise to enterprise, it cannot be denied that they are the two essential determinants of the nature, degree and levels of participation.6

The concept of workers' Participation in Management governs the labour policies of the Government of India. Realising the importance of Participative Management, it can be said that, "the spirit of workers' participation in management was that there should not be a rigid demarcation of the so-called domain of workers and that of employers. As far as possible, workers and employers should take decisions on all matters by discussion and in a participatory spirit ..... with the strengthening of workers' participation in management in the real sense, the scope of collective bargaining will gradually decrease and an atmosphere of conflict and friction ease"7.

The Government has made several attempts in different forms to promote participation, through the Industrial Policy Resolutions. The general belief is that participation in organisational decision-


making process tends to develop loyalty and a sense of involvement towards the organisation, among the workers. Moreover, it eliminates their disfunctional behaviour. The process of workers' participation gives an opportunity to the employees to utilise their talents in the decision-making process. This would encourage their involvement in the work.

In India, the public enterprises are currently under pressure to improve the level of their performance in terms of return, quality of the products and pricing policies. The industrial relations in our country in the public sector undertakings are far from satisfactory. There is substantial scope for improving the quality of human resource management through participation in every organisation in order to get more return from the investment in the industrial sector. Hence, the participation schemes are given more importance in recent times in public enterprises. Therefore, the subject has attracted the attention of both management and labour in the industrial set up of our country.

This explains the need to explore the different aspects of the Participative Management and its impact on the organisational effectiveness through research work from time to time, to design suitable policies or to modify the earlier policies. Having this view in mind the researcher has made an attempt in the present study to analyse the various issues of Participative Management in the public sector, by taking two textile mills namely, Swadeshi Cotton Mills and Sri Bharathi Mills in Pondicherry, as samples for the study.
STATEMENT OF THE PROBLEM

In Pondicherry, there are three cotton textile mills. They are Swadeshi Cotton Mills, Sri Bharathi Mills and Anglo French Textile Mills. Of the three, the Swadeshi Cotton Mills and Sri Bharathi Mills are under the control of The National Textile Corporation, Coimbatore and the Anglo French Textile Mills is under the control of Pondicherry Textile Corporation.

The workers' participation programme has been implemented in Swadeshi Cotton Mills (SM) and Sri Bharathi Mills (BM). The Anglo French Textile Mills has commenced its functioning only in 1987, after a long period of lock-out and the workers' participation scheme has not been introduced in this mills so far. Further, the Swadeshi and Sri Bharathi Mills are the oldest Mills in South India. Hence, in this study Anglo French Textile Mills is excluded.

The Swadeshi and Sri Bharathi Mills are producing yarn and cloth from cotton. Swadeshi Cotton Mills could produce 54.39 lakh metres of cloth and 11.29 lakh metres of yarn in 1988-89. The total workforce engaged in the different activities of production is 1906. Among them, 162 are managerial staff and 1744 are workers. The total production of Sri Bharathi Mills in 1988-89 is 84.33 lakh metres of cloth and 7.39 lakh metres of yarn. The total workforce is 1523 and of them 140 are managerial staff and 1383 are workers. The workers' participation scheme was implemented on 20.06.1987 in Swadeshi Mills and on 28.02.1986 in Sri Bharathi Mills.
In these two mills, no systematic effort has so far been made to evaluate the participation schemes at various levels of organisational decision-making. The present study would probably be a maiden attempt in analysing the efficacy of Participative Management scheme in the Textile Mills at Pondicherry. Hence, a study focussing the above aspect will be much useful for the effective implementation and modification of the programmes to suit the local needs and conditions. The major emphasis of this study is to find out whether Participative Management has any impact on organisational effectiveness. In this study, the following research questions have been analysed with reference to Swadeshi and Sri Bharathi Mills.

1. How does participation put into effect?
2. What are the personal variables influencing the participation of the employees?
3. What is the extent to which the employees participate in organisational decision-making?
4. What is the desired level of participation in different processes of decision-making?
5. What are the desired forms of participation?
6. What are the factors determining organisational effectiveness?
7. What are the important factors determining organisational effectiveness?
8. What is the nature of relationship between Participative Management and organisational effectiveness?
9. What are the major constraints for effective participation?

The necessary data for the study have been collected from the two Cotton Textile Mills and the period of investigation is 1988-89.
SIGNIFICANCE OF THE STUDY

Manpower in work organisations should not be considered as a mere factor of production, as it has been done hitherto. Many a problem in industrial settings could be efficiently managed by the sympathetic handling of the manpower resources. The end result not only leads to industrial peace but also serves to augment the material resources and productivity. Thus the twin objectives of individual employee satisfaction and the organisational goal could be easily achieved by adopting Participative Management. The scheme of Participative Management is supposed to be one of the major dimensions of the measures to achieve organisational effectiveness, keeping in mind the importance of manpower resources on one hand and increasing productivity on the other. This dimension of organisational effectiveness remains yet to be fully studied. Effectiveness is therefore seen as the ultimate goal of every organisation. Unfortunately, this over simplified view of organisational dynamics should recognise the most important aspect of the entire process: namely, an organisation's human resources. "In the study of organisational effectiveness, human resources and human behaviour emerge as the primary focal point, and attempts to improve effectiveness must necessarily begin with an examination of such behaviour at work". Thus, every organisation must integrate the individual needs and goals for its betterment.

OBJECTIVES OF THE STUDY

Given the broad area of investigation mentioned earlier, following are the specific objectives of the present study:

1. To study the measures through which participation in management is effected and to identify the personal variables which influence the participation among the different categories of employees.

2. To investigate the areas of decision-making where participation takes place and the extent to which it is perceived and desired by the employees at different levels; and also to identify their desired forms of participation.

3. To identify the major constraints prevailing in the participative mechanism and thereby to suggest viable measures to make the system more effective.

4. To study the variables determining organisational effectiveness and to identify the significant variables of organisational effectiveness.

5. To examine the perception about the extent of organisational effectiveness in the mills and to measure the degree of relationship between Participative Management and organisational effectiveness.

6. To suggest measures to improve the system of Participative Management which will accelerate the pace of growth of organisational effectiveness.
HYPOTHESES

The following hypotheses, formed out of the above objectives and earlier works, are sought to be verified.

H1 There is a significant relationship between the participation of the employees in the decision-making process and their education.

H2 The level of participation is different among the different categories of employees:

   a) Participation is high in the case of Supervisors and Executives.
   
   b) Participation is low in the case of workers.

H3 Organisational effectiveness is a multivariable phenomenon.

OPERATIONAL DEFINITION OF THE CONCEPT

Participation in Lower Level Decision-making

Lower level participation is the participation of employees in the decision-making process at the lowest levels in an organisational hierarchy. Decisions connected with the allocation and scheduling of work and its implementation which are of day-to-day relevance comes under this category. Further, lower level decisions also include decisions about the autonomy in work, provision for safety measures, choice of working hours and similar decisions which are of immediate relevance to the workers.
Participation in Medium Level Decision-making

Medium level participation is the participation of employees in the process of decision-making concerned with the promotion of workers, purchase of tools, equipments and machines, purchase of materials used in the work, changes in the policies of bonus scheme, nature and allotment of work, employing casual labourers, norms of disciplinary action and similar other areas. The medium level decision-making may affect a large number of employees.

Participation in Higher Level Decision-making

Participation in higher level decision-making could be explained as the participation of employees in the decision-making process, which are concerned with the long run interest of the organisation and policies connected with budget allocation, expansion and development of the unit, determination of wage and distribution of profit, marketing policy, capital expenditure, long term planning and so on. These decisions would require a careful analysis as they affect all the employees of the organisation, irrespective of the position they hold.

Forms of Participation

This refers to the systems and methods through which the employees participate in decision-making. Generally the form of participation is distinguished as direct and indirect form of
participation. Direct form includes all the methods in which workers participate personally. This form mainly includes personal contact of the workers with the foreman or immediate manager and departmental manager.

Indirect form of participation refers to the methods by which workers are represented by others in the decision-making process. The workers may be represented by the union or through 'worker-director'.

METHODODOLOGY OF APPROACH
DATA COLLECTION
Data Requirements

The following primary data pertaining to personal variables, such as age, education and experience of the employees, perception about participation in committees, perceived and desired influence in different decision-makings, desired forms of participation, information about the barriers to the effective use of participation and perception about job satisfaction, morale of the employees, industrial relations, quality of work life, organisational climate and organisational health, are required for present study.

A lot of secondary data are also used in this study. They are concerned mostly with the total workforce of the two mills, profile of the mills, information about workers' participation scheme, total
number of recognised and non-recognised unions, welfare facilities and particulars about production of clothes and yarn.

Sources of Data

The primary data have been collected through the interview method from the sample respondents of two mills. The secondary data would be collected from the records, minutes of the workers' participation meetings and annual reports of the mills.

Method of Data Collection

The required primary data of the study would be collected through interview method from the employees with the help of pre-tested questionnaire. Besides the interview method, observation technique would also be used in certain cases to collect the relevant information. The secondary sources used for the research consists of books, journals, newspapers, government reports, unpublished and published dissertation.

SAMPLE SIZE

The employees of the two mills under investigation can be broadly classified into two groups, namely, managerial staff and workers. The managerial staff consists of Supervisors and Executives. The workers are classified into three categories based on their skills. They are: (a) Unskilled workers, (b) Semi-Skilled workers, and (c) Skilled workers.
Since the size of the labour force is very large, the study of the entire population is not possible. Therefore, the study is undertaken on the basis of the samples chosen. To make the samples representative, 25 employees would be selected from each category of workers and managerial staff. Thus, as many as 125 employees would be selected from each mill. The two mills taken together would yield 250 samples which include 100 managerial staff and 150 workers.

The 125 employees selected from the Swadeshi Mills would form only 6.56 per cent of its total number of employees. But it would form 8.91 per cent in Sri Bharathi Mills.

**SAMPLING TECHNIQUE**

The sample respondents would be selected by applying restricted stratified random sampling technique, from the overall list of employees.

**STATISTICAL TOOLS APPLIED**

A study of this kind needs proper quantitative analysis to arrive at meaningful conclusions. In this study a combination of both parametric and non-parametric methods have been applied. Hence, the collected data have been analysed with some of the familiar statistical techniques like scaling technique, Mean, Standard Deviation, Co-efficient of Variation, Student's 't' test, Mann-whitney 'u' test, Simple Correlation and Multiple Regression.
Scaling Technique

The Likert's Five Point Scale is used to find out the extent of participation in committees and the perceived and desired level of influence in lower, medium and higher level decision-making. This technique has been used by virtue of its simplicity. Each item of the decision is attached to a five point nominal scale of possible degree of influence. Except in job satisfaction, the three point scale has been used in all the determinants of organisational effectiveness and in job satisfaction, five point scale has been used.

Mean Scores, Standard Deviation and Co-efficient of Variations

Arithmetic mean has been used to measure the average level of participation in committees, the level of perceived influence in different decision-making, desired level of influence, the extent of effectiveness in each determinant of organisational effectiveness, by the different categories of employees.

The Standard Deviation would be used to find out to what extent the scores are deviated from their respective means for committees, decision-making areas and determinants of organisational effectiveness, irrespective of five point and three point scales, and also to compute Co-efficient of Variation.

Co-efficient of variation would be used to compare the degree of variation of the scores of the different categories of employees.
Student's 't' Test

To test the difference between the mean scores and thereby decide whether the opinions of the different categories of employees about the level of participation/influence/satisfaction are same or not, student's 't' test has been applied in appropriate cases.

Mann-Whitney 'u' Test

Whitney 'u' test has been used to test whether there is any difference between the perceptions of the employees of the two mills on committees, in different decision-making areas, and the population as a whole.

Simple Correlation

In order to examine the relationship between the personal variables and participation, and, total participation score and each factor of organisational effectiveness, correlation has been used.

Multiple Regression

To identify the important personal variables influencing the level of participation among the different categories of employees, multiple linear regression has been used.

To study the impact of participation in committees and decision-making at different levels on organisational effectiveness, multiple linear regression has been employed, by taking the total score
of organisational effectiveness as the dependent variable and the total scores of participation in committees and total scores of decision-makings at different levels as the independent variables.

The estimated regression co-efficients in all the above cases, would be tested under the null hypothesis that they are equal to zero, assuming that the disturbance term is distributed normally.

LIMITATIONS OF THE STUDY

1. This study is mainly based on the primary data collected from the employees of two public sector textile mills. The conclusions derived from this study cannot be generalised for all other public enterprises. Nor can it be generalised in such a way as to be applicable to all other textile mills in the country. The conclusions of the study have to be understood in the light of the socio-economic and political conditions prevailing in the place of investigation. Any change in the above variable(s) may cause similar changes in the views of the employees. Therefore the conclusions also need to be changed accordingly.

2. Human behaviour cannot be predicted with ease because of the randomness involved in it. Hence, given the same conditions, or environments, the behaviour of human being need not be identical. The primary data collected for this study would therefore to mirror these limitations.
3. The period of the study is 1988-89. It is quite possible that the policies of the organisations and the government may change in the years ahead. Consequently, the employees may change their perception about participation, job satisfaction and other related variables. So the conclusions of this study may not be valid completely.

4. The study has been undertaken with special reference to India, which is a developing country. Hence the economic problems it is encountered with, is an important factor influencing the behaviour of employees. Therefore, the conclusions of this study are not completely comparable with those of similar studies undertaken in industrially advanced countries or other communist countries.

SCHEME OF REPORT

The present study is presented in TEN chapters.

The First Chapter introduces the topic of the study and deals with the significance of the study, objectives, methodology and limitations of the study.

A theoretical framework of Participative Management is presented in the Second Chapter.

The Third Chapter discusses the review of earlier studies related to the present research work.
The Fourth Chapter studies about the extent of participation in committees by different categories of employees and personal differences among them, in the selected mills.

Participation of the employees of the two mills at various levels of decision-making, differences in perception, and individual differences would be studied analytically, in the Fifth Chapter.

In the Sixth Chapter desired forms of participation of the sample employees have been analysed.

The Seventh Chapter explains the determinants of organisational effectiveness and the factors influencing these determinants. Further, the significant variables of organisational effectiveness would also be identified.

In the Eighth Chapter, an attempt has been made to study the impact of Participative Management on organisational effectiveness, Participative Management and its relationship with the different components of organisational effectiveness and to compare the views of different categories of employees.

The Ninth Chapter deals with the barriers to the effective use of participation. It also discusses the organisational barriers, situational barriers, managerial barriers and subordinate barriers.

Chapter Ten gives the Summary, Findings and Conclusions of the study.