

BOOK REVIEW

Joint Management Councils: A Study of Practices and Performance in Gujarat by Surya Mookherjee, Gandhi Labour Institute, Ahmedabad 1987. Oxford and IBH Publishing Co., New Delhi, pages 155.

The book reports the findings of a survey carried out in 1982 by the Gandhi Labour Institute, Ahmedabad on the working of the statutory scheme of Joint Management Councils (JMCs) launched by the Government of Gujarat in 1976 and also the proceedings of a seminar on JMC which took place in Ahmedabad on 31st December, 1982. The survey was sponsored by the Government of Gujarat which also apparently played an important role in organizing the seminar. In fact the broad objective of both the survey and the seminar was to know how the JMCs introduced on a statutory basis since 1976 were actually functioning.

The survey covered "several aspects such as the background of the selected undertakings, the state of industrial relations, the socio-economic background of the JMC practitioners as well as the rank and file worker and their views and perceptions about the effectiveness of the JMC on certain selected aspects" (p. 14). The necessary data were collected with the help of four schedules by investigators who were trained before they were put into their jobs. In addition, "in-depth interviews were also conducted for selected management as well as worker representatives to collect additional information and to understand their perception" (p. 15). The field work lasted for about three months.

This scheme of JMC in Gujarat is in line with the voluntary scheme of JMC which was launched in the late 50's by the Government of India in that it restricts participation to information-sharing, joint consultation and administration of matters specified by the statute. The survey reveals that a "large majority of management representatives and worker representatives as well as workers have perceived the existence of the JMC to be highly necessary" (p. 95). Attendance in JMC meetings and enthusiasm of the parti-

cipants in such meetings are also reportedly to be high. "As far as possible the decisions in the JMC meetings are reported to be arrived by consensus" (p. 93). The survey also reveals that labour-management relations in the enterprises covered by it are cordial and the satisfaction of the workers with their jobs is also sufficiently high. Despite the presence of so many favourable factors, the JMCs however do not function very effectively. In fact, the large majority of respondents of both the management and the worker categories reported average to poor performance of the JMCs. Performance of the JMCs on such selected aspects as increasing production and productivity, improving communication, helping in quick disposal of workers' grievances and improving labour-management relations were also not perceived very differently. In fact, the JMCs primarily discussed "the problems of inadequate light, ventilation, excessive heat, improper plant layout etc." and also "the problems pertaining to sanitation and cleanliness of the spittoons, toilet, urinals, lavatory etc." (p. 89).

The survey also attempted to examine as to what extent the recommendations of the JMCs are implemented by the organizations. The survey found a wide divergence between the perception of the representatives of management and workers in this regard. Thus while the majority of management representatives reported that all or most recommendations had been implemented in the past, a much lower percentage of workers' representatives held such a view. The survey also tried to identify the factors that hindered the implementation of the JMC recommendations. But it did not succeed very much in this because, "Nearly 50 per cent of the management representatives and 43% of the workers' representatives were unable to report any major obstacle" (p. 95). However, among those who could identify the "major obstacles", one finds a distinct difference between the perception of the management representatives and the workers' representatives. Thus a much higher proportion of workers' representatives attributed non-implementation of the recommendations to such

factors as "lack of authority of JMC to decide matters on the spot" and "indifferent attitude of the management". Quite a large number of respondents of both the management and workers' categories however felt that the recommendations could not be implemented because of financial stringency or budgetary constraint of the companies.

The author, however, provides some additional data collected through "in-depth interviews" with selected respondents which provide a clue as to why the effectiveness of the JMCs is low. As the author states: "In our enquiry the general complaint emerging from the workers' representatives was their sense of deprivation of power and authority in compelling management to implement the decisions taken in the JMC meetings. Most of them are aggrieved about the fact that the majority of the problems discussed in the JMC meetings remain unresolved because of either the managements' indifferent attitude or, their problems receiving less importance" (p. 105). Not only that, they "also appear to be sore about the JMC practitioners being harassed, dismissed or suspended by the management on grounds of the practitioners being critical about existing management practices" (p. 106). Another "factor which perturbs many of the workers' representatives is some managements' reluctance to discuss the company's financial situation and the balance sheet in the JMC meetings." (p. 106). All these points were also made by the JMC practitioners who attended the seminar whose proceedings have also been reported in this book. In fact they "pleaded for periodic supervision and inspection of the working of the JMC by the officers of the labour department" (p. 142). What is also important here is that the government representatives who were present in this seminar pointed out that "during the time of the election (of workers' representatives) full co-operation from the top management is not always forthcoming" and that "the stringent attitude of the management is not allowing the JMC workers' representatives to move freely among the various departments (for the purpose of collecting information about the problems of the workers) should be relaxed." (pp. 142-143).

The management representatives, however, did not agree with the views expressed by the workers. They expressed "their feeling that

most of the problems raised in the JMC meetings by the workers representatives remained outside the jurisdiction of the JMC. They also felt that workers give undue importance to the power factor rather than showing unanimity and a positive approach to arrive at mutually agreeable solutions" (p. 105). In fact the management representatives who attended the seminar referred to earlier, went one step further. They argued that the word 'participation' should not be misinterpreted to mean partnership as done by a majority of workers. They felt that participation means actively supporting or cooperating with the management towards achieving the target of production" (p. 140). Those who opposed discussion of company's financial situation and balance sheet with the workers' representatives justified their action by saying that 'the workers' representatives are not competent to understand what a balance sheet is or how it is read. Thus for them, it appeared irrelevant to disclose the company's financial standing to the workers' representatives" (p. 106). Again, quite "a few managers have also expressed the view that production and finance are two important and vital aspects where management should exercise the final authority. Interruption through interrogation even by the JMC representatives in this respect was viewed as an attempt on the workers' part to curb managerial prerogatives. To these managers... foregoing such rights to workers would mean disruption and deterioration in the overall effectiveness of the organization" (p. 106).

These data in fact confirm the well-known sociological proposition that workers' participation in management cannot succeed unless the working class movement is strong and the workers themselves are conscious about the need for establishing greater control over the different aspects of their working lives by influencing managerial decision-making process. In fact had the working class movement been strong in Gujarat, it would have probably been difficult for the management to harass, suspend or dismiss workers representatives for being critical of managements' practices or to keep the decisions arrived at the JMC meetings unimplemented or not to share information on financial position of the companies with the workers and so on.

The author however takes a highly simplistic view in interpreting these data. His starting point is: what the statute provides in terms of participation and whether what the workers' representatives and the management representatives have stated are in line with the provisions of the statute. Thus he dismisses workers' feeling of deprivation of power and authority in forcing management to implement the decisions taken in JMC meetings as unjustified because the statute restricts the role of JMCs to information-sharing, consultation and administration. Similarly, he does not appear to approve (though he does not make it explicit) of the management stand that it is irrelevant to discuss company's financial position with the workers or that management should not consult workers on production and other important matters. However the author gives the impression that the workers' representatives and the management representatives have developed diverse view-points about participation because of their "lack of clarity of the intended meaning and purpose of the provisions" of the statute. As the author states: "much of the problems, doubts, confusions and mis-understanding between the two partners of the JMC has arisen out of a lack of proper awareness, knowledge and understanding of the actual scope and functions of the JMC in an enterprise. . . . the lack of clarity of the intended meaning and purpose of the provisions has weakened the functioning of the JMC to a great extent" (p. 108). He therefore suggests that both the management and the workers' representatives be trained so that they become aware of "the intended meaning and purpose of the provisions". He also suggests that there has to be "the involvement of the top management in getting the scheme stabilised" which is the "first and foremost requirement" for bringing about "an attitudinal change on the part of both labour and management". The author, however, does not spell out what should be done to bring about the much needed involvement of the top management. This is important because as the author emphasises, the present "apathy and, to some extent, the antipathy, of the top management towards the Joint Management Councils" will have to be "turned into that of empathy" (p. 109). Be that as it may, the author believes that top management involvement will "activate the Joint Management Councils and accelerate the

implementation of the recommendations of the councils. As an outcome, both the labour and the management would be encouraged to sustain the participative culture in the organization which constitutes the major plank for the success of the scheme" (p. 109).

The fact is that the different state-sponsored schemes of participation as tried out in the country since 1947 have failed. And one important reason for which this has happened is that management has in general been averse to any idea of sharing power with the workers in decision-making process even when this requires only marginal changes in the existing power structure in organisations (such as giving the workers the right to share information and consultation). As the survey reveals, the experience of Gujarat with regard to the scheme of JMC is also not very different from the general pattern observed elsewhere in the country. The author however would not accept this. In fact he believes that the "practice of workers' participation in management has been increasingly in evidence in Indian business and industry since the past couple of decades" (p. 1). And he is optimistic that "despite some of the shortcomings, the Joint Management Council as a scheme of participation, can be made effective and useful to achieve the desired objectives set forth in the statute" (p. 109).

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K. B. Suri (ed.), *Small Scale Enterprises in Industrial Development: The Indian Experience*, New Delhi: Sage Publications, 1988. Pages 348. Price: Hard Bound Rs. 195 and Paperback Rs. 95.

During March 1985 in New Delhi, The Institute of Economic Growth, Delhi and the World Bank jointly sponsored a conference on 'Small Scale Industry Development' to consider the positive and normative implications of the results of research, undertaken during the period 1978 to 1983, on small scale enterprises in India. The proceedings of this conference, with one additional selection, form the basis of this book. Its subtitle indi-