

# Where is management going? Employer strategies with regard to worker participation and work-place forums

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Pick any management textbook from the 70s or 80s and it will tell you that the job of management is Plonc: a manager should plan, lead, organise and control. Later it became fashionable to Plonc: a manager should also nurture his or her people. Many authors suggest that the Plonc model is paternalistic, disempowering and inappropriate for today's business challenges. As Tom Peters says, "Our so-recently tried-and-true management tools are arguably worthless; many are downright dangerous" (Terry White, "Ditch the old Plonc, it's time for managers to change", *Sunday Independent Business*, 13 April 1997).

We are still writing books about participation – call it *empowerment*, or *self-management*, or *employee involvement*, or *participative management* – because we are having a very difficult time choosing to put the idea of participation into practice. The Age of Participation's contribution to solving this dilemma is that it makes the practice of participation so reasonable, explicit, and concrete that we no longer have an excuse not to implement it (From the Foreword, Patricia McLagan and Christo Nel, *The Age of Participation*).

Naked Emperors (ie senior managers) do not surrender any turf, possession or privilege. They wrap themselves around their hard-won gains like some kind of exotic monkey, prehensile tail and all, refusing to give an inch unless prised off the branch or murdered. They don't prise off easily. We're going to have to kill them (Quotation from Alan Weiss, "Our Emperors Have No Clothes", *Sunday Independent Business*, 20 April 1997).<sup>1</sup>

## 1 INTRODUCTION

Management, it seems, is under attack from all sides. The traditional challenge to managerial prerogative posed by union demands for the control of firms by workers, has been paralleled (and almost sidelined) in

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<sup>1</sup> The sub-title of this book gives an indication of its contents: *Incredibly stupid things corporate executives have done while re-engineering, downsizing, TQM'ing, team-building, and empowering in order to cover their ifs, ands or buts.*

the last decade by a concerted critique of the prevailing management paradigm by exponents of a new approach to management. In numerous books, journals and magazine articles, and in the business pages of newspapers, managers are being exhorted to develop participative organisations, in which employees are free to think for themselves, take initiatives, be creative, and even have fun at work. In the new participative organisations managers will no longer issue instructions and exercise control from above, but will become “leaders” or “mentors” or “stewards” in co-operative decision-making processes; and hierarchical organisations will be replaced by organisational “communities”.

In South Africa the government has intervened to open up a third front in the attack on managerial prerogative and the hierarchical organisation of decision-making and control. The new Labour Relations Act (LRA) introduces work-place forums, which, if triggered by a representative trade union, will compel senior management to consult or jointly decide with worker representatives over a wide range of issues. The intention behind work-place forums is “to expand worker representation beyond the limits of collective bargaining by providing workers with an institutionalised voice in managerial decision-making”. Work-place forums proceed from the idea that management will not have the “flexibility to adapt the work-place to its unique circumstances unless employees have a voice in designing these adaptations”.<sup>2</sup>

While contemporary managerial theorists and the team that drafted the new LRA have approached the question of participation from different directions, their motivations are much the same. In both cases the reason behind the push for more participation is the belief that the management of employees must change fundamentally if organisations hope to survive in today’s highly competitive and rapidly changing business environment. Whether these approaches satisfy the aspirations of unions and workers for industrial democracy remains to be seen. What also remains to be seen, as indicated in the quotations that opened this article, is the extent to which managers will act in accordance with the dictates of the “gurus” of the new approach to management and fundamentally change the way that decisions are made and work is organised. In other words, will managers in fact surrender their traditional decision-making prerogatives or will they resist or only pay lip service to the new approach; and, more specifically, how will they respond to the “threat” of work-place forums?

The challenges confronting managers throw up three important questions for research in South Africa at this point in time. Firstly, what strategies are South African managers pursuing with regard to worker participation? Secondly, what strategies are managers developing with regard to work-place forums, and are these strategies a continuance of existing strategies on worker participation or are they different? Thirdly, what is motivating these strategies and what are the main influences on management’s thinking regarding these strategies? In brief, how is the

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2 Explanatory Memorandum to the Labour Relations Bill, 292.

management of employees actually changing in the current context and what is driving these changes?

In this article we shall address these questions in the light of interviews with managers at leading firms throughout the country. We start by briefly discussing our research method and theoretical approaches to management strategies. This will be followed by a section dealing, in broad terms, with how management is thinking about participation and work-place forums, and what they identified as the main influences on their thinking. The next section deals with patterns of managerial practice with regard to participation. We then explain the cause of the trends in managerial practice and give a composite example of each of these trends. Finally, in the conclusion we discuss the implications of these patterns for labour and make recommendations to the labour movement regarding work-place forums.

## 2 RESEARCH METHOD

Our research method was to interview managers at leading firms in the major centres (Johannesburg, Durban, Cape Town and Port Elizabeth) and across key sectors of the economy (automobile, automobile components, confectionery and beverages, chemicals, clothing, electronics, engineering, mining, printing and packaging, and textiles). This spread was also intended to cover most of the sectors (outside of the public sector) organised by unions affiliated to the Congress of South African Trade Unions (COSATU). We also interviewed a selection of the management consultants in the country and representatives of the larger employers' organisations. In all, twenty managers were interviewed (generally industrial relations or human resource managers, but in some cases production managers and managing directors). We also conducted interviews at seven prominent consultancies and at four major employers' organisations.

During the interviews at leading firms we covered the following topics: their policy on employee participation in general and the types of participatory schemes already in place; their broad responses to the model of worker participation introduced in the new LRA; detailed comment on their strategic thinking on important features of the work-place forum model; and the sources of their thinking on participation and work-place forums. Much of this ground was also covered in the interviews with the consultants and the representatives of the employers' organisations, but in these cases we also examined what they were doing for clients or members with regard to participation and work-place forums, and in what way they were disseminating their ideas.

We found fairly early on in our fieldwork that the delay in the promulgation of the new LRA (the field work was conducted from July to October 1996, at which stage it was still not clear when the Act would be promulgated) and the fact that the establishment of work-place forums depended on unions (and the signal being received by most managers was that unions were not keen on work-place forums), meant that work-place forums were not a priority for managers and little or no strategic thinking or planning was taking place. An additional factor at some firms

was that they already had participatory structures and processes (in various forms), which they believed more or less matched work-place forums. The managers at these firms argued that these structures could quite easily be converted to or accommodate work-place forums and it was not necessary for them to develop strategies in this regard.

This meant that much of our interview schedule was not being answered or was being answered in very broad and rather vague terms. Our focus then shifted to the existing participatory practices and structures in place at firms; the reasons for introducing these; how they were changing and whether this was part of a strategy; and what the sources of management's thinking had been on the types of practices and structures introduced. Out of this examination we sought to discover patterns that could indicate implicit management strategies with regard to work-place forums.

### 3 STRATEGIC MANAGEMENT AND MANAGEMENT STRATEGIES

Any discussion of management strategies regarding participation must take account of the adoption of the concept of strategy by the business world and the rapid spread of this concept in the management literature (particularly in a study such as this where the focus is on the intellectual influences on management's approach to participation). Importantly, management theorists have not treated strategy as a discrete programme to achieve a particular objective or overcome a specific competitive threat. Rather, strategy has been conceptualised as an overarching plan and method for the management of all aspects of a business. The management literature therefore speaks of strategic management rather than management strategising, and it is on this concept that this section will mainly focus in order to understand the world of ideas within which management is currently practised, particularly with regard to the management of employees.

The section will also deal with criticisms of the way that the concept of strategic management obscures the reality of much management practice, which appears to be mainly short-term and reactive in its thinking. This criticism has given rise to a new conceptualisation of strategic management which emphasises flexibility in the implementation of strategy by management in a rapidly changing and unstable competitive environment. Finally, the section will end by briefly examining the relationship between strategic human resource management (which forms an important component of strategic management) and industrial relations management strategies (which have not been conceptualised as part of strategic management), as these are the key functional areas of management that deal with the issue of worker participation.

#### 3.1 The use and spread of the concept of strategy in the business world

The concept of strategy has a long history of military usage. The word "strategy" is derived from the Greek *strategos*, which literally means the

art of the general, and for centuries it was used solely in the context of the control and direction of armies in the conduct of war (Miller, 1987: 347). More recently the term “strategy” has been applied to planning and decision-making in the business world. This began shortly after the Second World War and the term was possibly first used in this context by faculty members of the Harvard Business School (Miller, 1987: 347-348). Since then the business usage of strategy has spread rapidly from its epicentre in the United States, gaining what Knights and Morgan describe as a “fashionable bandwagon effect” (1995: 194). The meaning of the word has consequently expanded well beyond its military roots and by 1986 the Oxford English Dictionary had added the following to its existing definition of “strategy”:<sup>3</sup>

“In (theoretical) circumstances of competition or conflict, as in the theory of games, decision theory, business administration, etc. a plan for successful action based on the rationality and interdependence of the moves of the opposing participants” (in Shaw, 1990: 468).

As the popularity of the term has grown, strategy has come to cover such a variety of meanings (as the above definition indicates) that it has been described as “accordion like” (Miller, 1987: 347).

It has been argued that the rapid spread of the concept of strategy in the business world is linked to two developments. Firstly, the emergence of business schools and their propagation of managerialist ideologies that justify management techniques on rational and scientific grounds, has provided the foundation for the notion of strategic management. Secondly, the separation of the ownership of business from direct managerial control has led to the professionalisation of management and its legitimisation as a body of neutral experts (or a professional elite) that has the strategic skills to run firms (Knights and Morgan, 1990: 478) .

The spread of the concept is also partly related to and sustains another group of experts, namely the management consultants whose business it is to provide strategic analysis and advice to organisations that perceive themselves as lacking these skills. These consultants have promoted the concept further, not only to their existing and potential clients, but also to “the wider business community, in particular those who own or through the management of funds (e g the financial institutions) control the ownership of companies” (Knights and Morgan, 1990: 478).

### 3.2 Strategic management, human resource management, and world class manufacturing

The central strand in the development of the concept of strategy in the business world has been the notion of strategic management. Strategic management is a wider concept than management strategy in that it is

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3 In 1964 the *Concise Oxford English Dictionary* defined strategy as: “Generalship, the art of war . . . management of an army or armies in a campaign, art of so moving or disposing troops or ships or aircraft so as to impose upon the enemy the place & time & conditions for fighting preferred by oneself” (in Shaw, 1990: 468).

presented as a way of managing the entire business; it therefore proposes an overarching strategy for the management of a business rather than a discrete strategy for a particular management function or a particular management objective. It is important to note, however, that much of the literature on strategic management is normative and prescriptive rather than analytical and therefore presents strategic management as something of an ideal type.

The concept of strategic management can be seen as having three essential features. Firstly, it emphasises rationality in management's decision-making. Secondly, strategic management is situated at the pinnacle of the business, that is, it is the preserve of senior management. Thirdly, the objective of this type of management is to provide an overall plan that *integrates* the many diverse decisions taking place at various levels and in the different functional areas of the organisation. The aim is to co-ordinate all these layers and functional divisions in the firm's interaction with its present and (predicted) future competitive environment and thereby optimise its ability to achieve its objectives (Knights and Morgan, 1990: 478; and 1995: 194-195).

As the concept of strategic management has developed over the years, increased attention has been focussed on the workers within organisations. Rather than being viewed as a necessary cost, the perception is that the firm's employees are a key resource; in fact, they are the resource that has the most potential for giving the firm a competitive edge. Strategic management has therefore sought to develop this resource, to release its potential, and to maximise its performance. The result has been the integration of a new management function, human resource management, as one of the main components of strategic management:<sup>4</sup>

A comprehensive corporate strategy is essential to continuing business success. However in many cases, human resource planning is not an integral part of strategic planning, but rather flows from it. One consequence is a weakening of strategic planning because, by emphasising quantitative dimensions of marketing, finance and production it fails to take account of more complex issues such as values, power and company culture. Implementation of strategic plans therefore becomes much more difficult than anticipated. Human resources must therefore become an integral component of the strategic planning process. Because they are the most variable, and the least easy to understand and control of all management resources, effective utilization of human resources is likely to give organisations a significant competitive advantage. The human resource dimension must therefore be fully integrated into the strategic planning process (Guest, 1987).

Much of the literature on human resource management has therefore added the word "strategic" to the term.

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4 The starting point for human resource management is conventionally seen as the 1981 launch of a compulsory MBA course in human resource management at the Harvard Business School. The importance of this development is underlined by the fact that this was the only new compulsory course to be introduced into the Harvard MBA for nearly 20 years. (Boxall and Dowling, 1990: 196).

Although the term human resource management is now very widely used it remains somewhat vaguely defined. Generally it is seen as a managerial function that is qualitatively distinct from its personnel management antecedents (Guest, 1987: 507-508). It is also, as we have noted above, characterised by a strategic approach to the management of employees and integrates this function with the general management of a business (Boxall and Dowling, 1990: 197-200). In addition, human resource management advocates that employees be viewed as investments rather than as costs:

“When an organisation views its present and future employees as resources rather than purchased services, then it has begun a process of human resource development. Employees are thus considered as investments – investments which yield varying results depending on how the investment is treated. Human resources management represents a change in attitude on the part of management towards the workforce, a move away from seeing employees as a necessary expense of doing business to a critical investment in the organisation’s current performance and future growth” (Ross in Boxall and Dowling, 1990: 197).

Another approach to defining human resource management has been to look at its goals. Guest argues that the major dimensions of human resource management are best illustrated by its four main goals of integration, employee commitment, flexibility/adaptability, and quality. The goal of integration has a number of components: firstly, the integration of human resource management into the overall strategy of a business, that is, the integration of the human resource management function with the financial, marketing and production management functions. Secondly, the vertical integration of strategic, business unit, and operational level decision-making, so that they complement rather than oppose one another.<sup>5</sup>

The third aspect of integration is to get line managers to understand the human resource management policies and to practice these policies. The last component proposes that each and every employee should be integrated into the business and have an identity of interest with the goals of the business (Guest, 1987: 512-513).

The goal of employee commitment requires that human resource management must “develop in individual employees a feeling of commitment to the organisation” (Guest, 1987: 513-514). This will result “not only in more loyalty and better performance for the organisation, but also in self-worth, dignity, psychological involvement, and identity for the individual” (Beer *et al* in Guest, 1987: 514). The goal of flexibility/adaptability has two parts: adaptability refers to the organisation’s ability to respond quickly to competitive pressures, and flexibility refers to a multi-skilled workforce that is willing to move freely between tasks. Finally, the

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5 The strategic level of decision-making is situated at head office and is relatively long-term, the business unit level is situated (as its name suggests) at the level of a particular business unit and is short to medium-term, and the operational level of decision-making relates to the day-to-day production decisions.

goal of quality refers to the quality of staff and appropriate policies for the recruitment, development, and retention of staff, as well as to the quality of performance and the setting and maintaining of high standards.

The influence of the strategic management concept, as well as strategic human resource management, can be clearly seen in a new approach to management known as world class manufacturing (WCM). Although WCM is primarily a production strategy, it is characterised by the integration of a set of innovative production techniques with a grouping of key human resource management practices that defines a new competitive strategy for the entire firm. The main components of WCM are:

- (a) The use of just-in-time inventory systems and other buffer minimisation techniques that demand smooth production flow and that integrate the activities of firms with suppliers;
- (b) Quick set-up times to reduce down-time during changeovers, thereby enabling shorter production runs;
- (c) The use of work teams and the flexible deployment of multi-skilled workers, coupled with extensive training to make this possible; and
- (d) Off-line problem-solving groups which involve workers in continuous improvement processes (MacDuffie, 1995a, 1995b).

WCM is therefore a management approach that aims at improving the performance of firms for competition in global markets on the basis of developing a strong commitment to product quality and customer service, flexible production methods, and highly trained, multi-skilled workers (Saban, 1997: 17).

### 3.3 Theoretical approaches to the concept of management strategy

As noted above, much of the literature on strategic management has been normative and prescriptive, emphasising in an ideal way the long-term planning aspect of the concept. This emphasis on an explicit long-term plan was particularly evident in the early approaches to theorising about strategy in the business world. Chandler, for example, stated that "(s)trategy is the determination of the basic long-term goals of an enterprise, and the adoption of courses of actions and the allocation of resources necessary for carrying out these goals" (in Storey and Sisson, 1993: 69). However, the normative nature of much of the early literature on strategy tended to overemphasise the rationality of management decision-making and obscure the fact that managers seldom develop long-term strategic plans, and where they do, they are seldom able to implement them as originally conceived.

Recent theorists of management strategy have argued that the "rationalistic" models of strategy should be replaced with "processual" or "incremental" models that more closely reflect the reality of management decision-making, and which emphasise the implementation rather than the planning of strategies. Quinn, Mintzberg and Pettigrew suggest that strategy as a concept is more complex than a notion of rational planning suggests; a strategy should rather be seen as emerging as a series of steps



which “are influenced by the social and political routines of organizational life” (Storey and Sisson, 1993: 69). Mintzberg has gone further to argue that a strategy is “a pattern in a stream of decisions” and distinguishes between “intended” strategies and “realised” or “enacted” strategies, which only emerge when a series of decisions are viewed retrospectively (in Storey and Sisson, 1993: 69; and, Mintzberg, 1989: 27-28).

These latter theorists of management strategy endorse a pluralistic view of organisations, which emphasises the political nature of decision-making within organisations. This approach “interprets organisations as political entities, with political goals, political decisions and political people” and strategies are seen as “products of complex political processes” (Ahlstrand, 1990: 22). Such an approach excludes the notion of strategy as rational planning. Rather, decisions in organisations “are made through processes of negotiation, compromise, and bargaining and coalition formation”, which partially explains their incremental development over time (Zey, 1992: 24). Another important factor that accounts for a more pragmatic approach to explaining strategy is the fluidity of the business environment, which requires far more short-term flexibility in management decision-making, although within the framework of a overarching strategic direction.

This more analytical approach to the concept of strategic management is important as it indicates that despite the intellectual influences on management to manage strategically and integrate functional areas of management and levels of decision-making, it is likely that in practice management proceeds in a more piecemeal and incremental fashion. This would be true of general management and a particular functional area of management such as human resource management. One could therefore hypothesise that where management were looking to increase participation in firms (as much of the modern management literature exhorts managers to do), they would do so cautiously, testing the air at each step of the way. It is also probable that such initiatives would not be integrated into an overall plan, and could be the preserve of one functional area of management acting relatively autonomously from the others.

### **3.4 Human resource management and industrial relations management strategies**

While human resource management has been easily integrated into the concept of strategic management, industrial relations management has been largely ignored. Implicit in most of the strategic management and human resource management literature is the assumption of a non-union environment (which largely reflects the situation in the United States where much of the literature has been generated). The consequence has been that the management of industrial relations is not conceptualised as part of the integrated strategic management approach, and in terms of this approach “trade unions are unnecessary or at best marginal” (Guest, 1987: 519). Similarly, in much of the literature on industrial relations management, strategies developed by managers with regard to the collective organisation of workers are seldom seen as part of a broader business

strategy. They are usually presented as relatively discrete sets of decisions being taken within a specialised management function, often dealing with the consequences of business decisions where these impact on organised workers rather than being part of a proactive management plan.

Conceptually human resource management clashes with industrial relations management in that it is unitarist and individualistic in focus, whereas industrial relations tends to have a pluralist and collectivist focus. In some cases, particularly in the United States, a strand of human resource management has emerged which seeks "to prevent unionization through anticipating and providing for employee needs (such as equity in pay, meaningful work and employment security) more effectively than unions" (Boxall and Dowling, 1990: 205). But it has been noted by a number of writers that both conceptually and in practice human resource management and industrial relations management can co-exist. In well-organised firms the two approaches can be mutually dependent; for example, individualised processes – such as team briefings and quality circles – are unlikely to be implemented without the backing of the trade union (Sisson and Sullivan, 1987: 430; Boxall and Dowling, 1990: 196). Furthermore, one can argue that the two approaches could not only be mutually dependent but also mutually supporting and enhancing, with both individualistic and collective aspects of employee management being optimised in a synergistic way. This would, of course, depend on the union's ability to guard against collectivist structures and engagement being undermined.

The relationship between human resource management and industrial relations management is particularly important when considering management approaches to worker participation, which can be seen as lying somewhere between the traditional concerns of human resource management (with its focus on individualised participation in problem-solving) and industrial relations management (with its focus on collective bargaining over distributive issues). Two quite distinct approaches could therefore emerge in practice with regard to participation according to the nature of the management structure of the firm (i.e. whether it has a human resources manager or an industrial relations manager) and the level of worker organisation. On the one hand, human resource management would emphasise individual participation that improved job satisfaction and employee commitment, with the aim of improving the quality of performance of workers. On the other hand, industrial relations management would focus on collective engagement, with the main aim of reducing adversarialism in the work-place. Furthermore, and depending on how "strategically" the firm is being managed, these two approaches could be linked to a greater or lesser extent with other functional areas of management, particularly with an integrated production strategy such as a world class manufacturing strategy, which could significantly influence the nature of participation.

In South Africa one would expect that industrial relations management will play a much more prominent role with regard to the issue of worker participation than much of the strategic management literature would suggest (with its exclusive focus on human resource management in

non-unionised environments). The reason for this is obvious: the rapid growth of unions of black workers and their aggressive pursuit of worker rights and interests has made industrial relations management an essential part of most medium to large firms' management teams. But the nature of the sorts of strategies that are being generated by these different management influences, whether they are part of a longer-term plan or develop incrementally, and the extent to which they are integrated with one another, can only be determined through empirical investigation. It is on these questions that the remaining sections of the article focus.

#### 4 MANAGERS' STRATEGIC THINKING ON WORKER PARTICIPATION AND WORK-PLACE FORUMS

The interviews with South African managers revealed the influence of the strategic human resource management approach, as well as the influence of the more popular management literature that calls for more participation by employees in decision-making in firms, in that managers were generally in favour of the concept of worker participation. Evidence of the pervasiveness of the new managerial approach to the management of employees was the fact that managers were either unable to identify a specific source of their thinking on introducing participation in decision-making or pointed to a diverse mix of sources.

In one case a manager stated simply that their sources "were all around, it's [sic] everywhere you look". In a number of other cases managers argued that they were influenced by the fact that that was "the way things were going". Other, more concrete, influences included new ideas brought into the firm by a new Managing Director or Chief Executive Officer, the influence of a parent company, the examination of overseas models of co-determination, and programmes introduced by different consultants. In many cases no one source was predominant and they often appeared to have had a limited influence individually. In other cases managers acknowledge various influences but stressed that they were following a trial-and-error approach to develop their own firm-specific model of participation. The fact that there was general consensus by managers on the need to move in the direction of increased worker participation and that there was such a wide set of sources for this approach suggests that worker participation seems to be becoming something of a broad managerial orthodoxy.

Environmental factors also played an important part in influencing managers to adopt more participatory management styles. These factors were –

- the political transition and the realisation by managers that firms must stay abreast with the democratisation processes taking place in the broader society;
- the liberalisation of trade taking place throughout the world and the threats that this posed to the survival of companies;
- changes in markets and technology that were forcing firms to become more flexible, versatile and dynamic, and that in order to do so workers needed to be multi-skilled and committed to the goals of the firm.

A final, more recent influence was the new Labour Relations Act, which had given statutory recognition to the preceding two forces and the need to shift industrial relations away from adversarialism to greater co-operation.<sup>6</sup>

As evidence of the support for increased participation, the majority of firms were already implementing some form of worker participation. However, in many cases the introduction of participatory schemes did not appear to be part of an explicit strategy but were rather *ad hoc* initiatives. Furthermore, there was considerable diversity in the approaches of firms and the degree and level of participation that had been initiated. Firms also differed considerably as to when they had started participatory schemes. In some cases they had only just launched schemes, often focusing on fairly limited forms of participation at the operational level, whereas other firms had well established and extensive participatory structures in place.

The lack of clear strategies and the diversity of participatory approaches point to the fact that although there is a broad trend towards increased worker participation, no single path or technique or scheme is predominant. Firms in the main appear to proceed cautiously and incrementally, and are influenced primarily by the particular set of environmental factors that they each face (including the industrial relations situation at the firm). Furthermore, while managers might often be influenced by certain models and what they have seen at other firms, they tend not to adopt these models lock, stock and barrel, preferring to develop their own in-house schemes that they believe best suit the needs of their firm.

The general support by managers for increased participation extended in most cases to a positive view of work-place forums. Only one firm was opposed to work-place forums. This firm was in favour of employee participation but saw a work-place forum as representing "trade union participation". Two other firms were not opposed to work-place forums but were somewhat lukewarm about them, envisaging various problems with their establishment.

As mentioned above in the discussion on the research method, there did not appear to be much strategic thinking taking place on work-place forums. In many cases managers contended that a work-place forum could only be triggered by the union and that until they heard from the union there was little point in them spending time developing a detailed position on such a forum, especially since the unions seemed opposed to these structures. Furthermore, if the union did want to set up a forum, management would seek to establish it through negotiation and until they heard what the union's proposals were it would be a waste of time developing a blueprint of their own.

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6 One consultant argued that even if no work-place forums are established the Act would have done its job because it is pushing the parties into a variety of other forms of participation.

Only two features of the work-place forum model were of serious concern to some managers (although this was not the case for the majority). The first was with regard to the role of the Commission for Conciliation, Mediation and Arbitration (CCMA), which was at the time of the interviews an unknown factor, and whether it would have the capacity to fulfill its role effectively.<sup>7</sup>

In some cases managers stated that they would seek to reach agreement with the union (if a forum was established) to have disputes referred to an outside agency (the Independent Mediation Service of South Africa was often their choice).<sup>8</sup>

The second feature was the provision for disclosure of information. In one case this was seen as problematic because the firm was privately owned. In a few other cases the provision for disclosure was seen as potentially intrusive or as vaguely defined and therefore a probable cause of disputes. No specific strategies to address this concern were, however, mentioned by managers.

The consultants and representatives of employers' organisations that were interviewed were all in favour of work-place forums but none could be seen as having developed specific strategies for management with regard to forums. Their major focus was rather on offering training or legal advice on the establishment of forums. Andrew Levy and Associates had run widely publicised training seminars on work-place forums that focussed on explaining the provisions in Chapter Five of the LRA. This training neither promoted work-place forums nor suggested ways of avoiding them. The Labour Law Group also ran training seminars as well as addressing individual companies on forums. This consultancy was more actively promoting the establishment of work-place forums and had developed a quite sophisticated programme for preparing firms for forums and for establishing forums. However, they viewed the union as crucial to this process and saw the establishment of the forum as taking place in partnership with the relevant union. They were therefore focusing on the process rather than advocating particular types of forums that would suit firms rather than unions. Both Andrew Levy and Associates and the Labour Law Group had developed training manuals on work-place forums.

The other consultancies were not doing training on work-place forums or specifically promoting work-place forums. These consultancies tended

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7 The LRA provides that an application for the establishment of a work-place forum must go to the CCMA, which must, if the application meets certain requirements, appoint a commissioner to assist the parties to establish a work-place forum by collective agreement or, failing that, to establish a work-place forum in terms of the Act. The various steps that the commissioner must take to achieve these objectives are set out in some detail in the Act. In addition, disputes in respect of work-place forums must be referred to the CCMA (unless a collective agreement or the Act provides otherwise).

8 It is interesting to note that the training manual on work-place forums compiled by the Steel and Engineering Industries Federation of South Africa contained a model work-place forum constitution which provided that disputes about forums would be referred to the National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry rather than the CCMA.

to operate in a one-to-one relationship with a client and most were focussed on their existing organisational development programmes at their client firms and were not going out of their way to deal with the question of work-place forums.

The employers' organisations had also not developed explicit strategies with regard to work-place forums. The Steel and Engineering Industries Federation of South Africa (SEIFSA) had run training courses for members (along the lines of the Andrew Levy courses) and had produced a training manual on work-place forums that was generally positive about their establishment. This did not, however, advocate any particular work-place forum model or way of establishing a forum. The general approach of employers' organisations was that they would assist a member with advice where a work-place forum was being established. In addition, SEIFSA and the Natal Clothing Manufacturers' Association suggested that they would be open to discussing work-place forums at bargaining council level with a view to establishing a framework agreement for their establishment at firms.

## **5 FUNCTIONAL DIVISIONS IN MANAGEMENT AND THEIR PATTERNING OF APPROACHES TO WORKER PARTICIPATION**

To summarise, our research has revealed that there was a broad trend in favour of worker participation amongst the managers interviewed but they did not identify any dominant influences that were promoting particular strategic approaches to participation. Rather, most firms operated in a firm-specific and incremental way on the issue and this appeared to be the way that they were approaching the prospect of work-place forums. However, an examination of the various schemes that had been introduced showed that there were certain patterns in the approaches being adopted by management. The initial pattern that emerged was a tendency for there to be either an emphasis on structures for participation (what we have named the structural approach) or on processes for employee involvement (what we describe as the process approach).

The structural approach tended to emerge at firms where there were powerful unions present with strong shop floor organisation. In such cases management, in attempting to make changes to respond to environmental pressures, had to engage the union at the collective level to set up structures within which the participation process could take place. The structural approach was therefore characterised by participation that was largely representative, and governed by collective agreements that entrench structures with clear rights to decision-making over a range of issue. In its most developed form such structures were situated at a number of levels (for example, the operational, business unit and strategic levels of decision-making).

The process approach saw performance improvement in response to environmental pressures as an on-going process that utilised a variety of structures at the operational level to increase employee involvement and commitment. Although there were structures for participation, the requirement of performance improvement was dominant and the structures that

had been developed were being utilised primarily to advance performance improvement. The process approach was therefore characterised by employee participation that was largely individual and direct, through structures that tended to be situated at the operational level. Where there were higher-level structures these tended to be of the steering committee type, which sought to monitor and facilitate the process rather than to entrench firmly worker rights to decision-making.

It is important to note that the process approach did not appear to be directed at marginalising or avoiding unions – the unions were brought on board – but management were the initiators of and retained more control over the process of performance improvement and the way in which workers were involved in this process. In cases representative of the process approach one could therefore speak of participation as being the result of a participative management approach rather than reflecting a more firmly entrenched involvement by workers in decision-making.

We then noted that to a certain extent one could link the structuralist approach to those firms that saw participation primarily in industrial relations terms, that is, participation was part of an industrial relations strategy in the face of strong and active trade unions that sought to overcome or significantly reduce adversarialism. The process approach was, on the other hand, more closely related to firms that emphasised the human resource development aspects of participation, that is, participation was seen as a way of improving employee commitment and performance as an important part of the process of improving the competitive performance of the firm. It also appeared that both the structural approach, with its industrial relations orientation, and the process approach, with its human resource development orientation, were integrated to a greater or lesser extent (this varied from firm to firm) with the production strategy of the firm.

Our research therefore confirms the points made in the theoretical section above regarding the influence that the human resource management function and the industrial relations management function can have on the nature of the process initiated at firms. Our interviews with managers showed that the way in which participatory structures and processes had developed at the firms surveyed was determined largely by the functional areas of management that were given primary responsibility for this programme (i.e. human resource management and industrial relations management), and by the degree of integration between these functional areas and the production management function. These functional areas of management were in turn emphasising and putting into practice the ideas being generated in that particular field in their approach to participation, namely, industrial relations-oriented ideas of “co-determinist” structures, and human resource development-oriented ideas of “individualised” participation processes, both of which were linked to a greater or lesser extent with production-oriented world class manufacturing (WCM) strategies. So each of the functional areas of management were channelling particular management ideas into the approach being adopted to participation.

In the absence of clear and explicit management strategies with regard to worker participation, the patterns that emerged indicated a linkage between the strategic thinking being disseminated in the latest management literature and the functional areas of management that are involved in driving the process of organisational change in response to the intensifying pressures of global competition facing South African industry. However, these linkages were seldom overcome by managers adopting an integrated approach to management. Implicit strategies on worker participation were therefore in most cases not part of a comprehensive manufacturing strategy and the patterns that emerged tended to underline a specialisation of management functions rather than an integrated managerial approach.

Before dealing with the particular clusters of firms that indicated the influence of the three functional areas of management, we will briefly outline the major features of each of these management functions and the way that they represent particular streams of management ideas. These will be presented as ideal types.

**The first stream** of management ideas is strongly influenced by the need to come to terms with an assertive union which has the shop floor power to ensure that management involves worker representatives in co-determination structures on an on-going basis. Industrial relations management is strongly developed and adopts a pluralist frame of reference which recognises the inherent differences between management and labour but seeks to shift their adversarial relationship towards greater co-operation. Fully developed co-determinist structures involve shop stewards and other worker representatives, rather than individual workers, on an ongoing basis in decision-making from the shop floor level, through operational management to strategic planning and governance at board level, with the appropriate levels of the managerial hierarchy.

**The second stream** of influences on management approaches to participation originates from the ideas professionalised in the human resource development function. Micro-participation initiatives include a broad range of individualistic or team-based techniques such as green areas, quality circles, total quality management, team-based work organisation and so-called autonomous workgroups which aim, in varying degrees, to ensure that operators are more directly involved in and responsible for the decisions that affect their immediate task environment. These principles may be closely tied to the introduction of a WCM strategy where such a strategy requires that operators have multiple skills, can be flexibly deployed according to need, and are an integral part of the need continually to improve production efficiencies.

**The third stream** of influences flow from a focus on WCM, and is predominantly a production-driven response to competitive consumer market pressures that demand a move away from mass production methods to a more flexible, specialised production strategy. The shift towards WCM in South Africa is typically driven by the need to move from producing a very wide product range of standard goods for the local market to producing more specialised and changing product ranges for



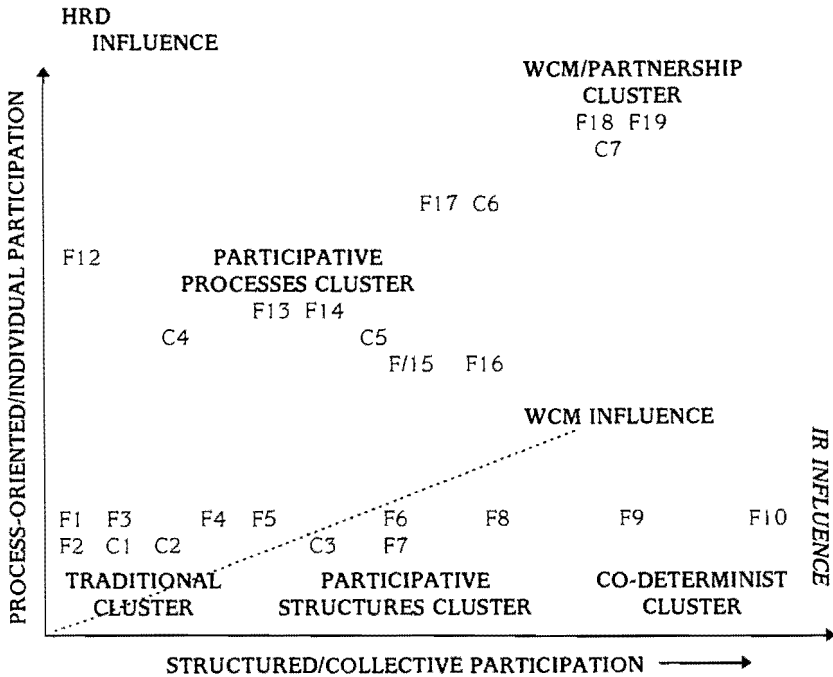
both domestic and international markets. As noted above, the WCM concept refers in practice to a broad range of production strategies which aim at enhancing the flexibility, quality and efficiency of a firm by introducing production concepts such as just-in-time materials management and continuous improvement. These techniques are often coupled with strategies to upgrade worker skills and integrate the conception and execution of production tasks.

It should be stressed that elements of all three streams of management thinking and practice are present to a greater or lesser degree in all firms. The emergence of a number of distinct patterns suggests that within firms different aspects are emphasised as managers attempt to move away from their traditional approach to management. From our discussions with managers in South African firms we identified five distinct clusters of managerial approaches to participation strategies. These reveal differing combinations of the influences of (1) industrial relations management-oriented co-determination structures; (2) human resource development-oriented individualised participation processes; and, where these were integrated with one another, (3) the influence of WCM production strategies. We have named these clusters of firms as: Traditional; Participative Structures; Co-determination; Participative Processes; WCM/Partnership. We describe their relationship graphically in the diagram below (each firm is identified by F and a number and each consultancy by C and a number). In the section that follows we provide composite examples to illustrate the characteristics of each cluster.

This three dimensional diagram seeks to explain graphically the relationship between the sorts of participatory practices that had emerged at firms and the major influences on these practices emanating from the world of management thinking. The vertical and horizontal axes indicate the structural and process pattern that first emerged, which can be seen as the major trends which participation takes and along which firms tended to be drawn. When one includes the three key influences emerging from the functional areas of management (i.e. the human resource development influence, the industrial relations influence, and the WCM influence), two of which align closely with the structural and process axes and the last of which introduces a third dimension, the clusters that appeared (which represent different emphases of these influences) can be explained. These clusters are discussed below.

We found that a relatively large number of manufacturing firms have made only moderate moves from the Traditional organisational pattern. In many firms the Traditional pattern persisted as management reacted hesitantly to environmental change or had yet to be confronted with a fundamental challenge to its way of doing business. In many cases management perceived that its relationship with the union was not particularly antagonistic and, as a result, management did not seem to place a high priority on the need to transform its approach to industrial relations. The production process still largely conformed to Fordist methods although some pilot initiatives had been undertaken at some of these firms to reorganise workers into teams.

DIAGRAM 1

PATTERNS OF PARTICIPATIVE APPROACHES AND THE INFLUENCE OF DIFFERENT FUNCTIONAL AREAS OF MANAGEMENT<sup>9</sup>

Worker participation was not actively encouraged at the firms in the Traditional cluster and where green areas had been introduced they were primarily used for information sharing, with limited opportunities for communication up the hierarchy. The monthly meetings between shop stewards and management were typically limited to terms and conditions of employment, and on many of these issues management consulted rather than negotiated. In some cases senior management was taking hesitant steps towards sharing information on company operational (but not financial) performance with shop stewards on a quarterly basis.

There were two consultancies in the Traditional cluster and one that had moved marginally along the horizontal axis towards the Participative Structures cluster. These consultancies offered standard industrial relations services to firms, with an emphasis on negotiation and dispute

<sup>9</sup> Note that one firm could not be included on the diagram as the interviews were conducted with a head office manager who indicated that management decisions about participation were left to plant-level managers. A variety of approaches to participation had emerged at these plants that fell into more than one of the five clusters.

resolution, as well as training on various aspects of the LRA. They had little or no involvement with worker participation and it was only with the introduction of the new Act that some of these consultancies were beginning to address this issue via training and advice on work-place forums.

The evolution away from the Traditional pattern towards more Participative Structures was found in larger plants in the engineering and automotive sectors, where the industrial relations function has traditionally played an important role. These industries are facing increasing challenges from international competition as tariffs are lowered and there is a growing need to shift production to longer runs and to target export niche markets. In most cases the firms have already embarked on significant restructuring exercises and are showing the benefits of improved performance, but the need to continue to improve remains a priority. However, these firms have not yet adopted a fully-fledged WCM strategy in their pursuit of performance improvement.

In the Participative Structures cluster firms have developed sound relations with the relevant trade unions and participation follows a more structured and representative route, with management keen to extend the depth and breadth of participation. At one firm management was taking the initiative to extend the range of issues that are negotiated by the existing participative structure and had tabled proposals in this regard to the union. These were under discussion at the time of the interview. Management's desire to extend the scope of this joint decision-making structure resulted from some of its difficulties with earlier attempts to introduce work organisation changes unilaterally in a top-down approach, which reflects the ability of the union to resist such unilateral initiatives.

This does not, however, mean that firms in this cluster do not have more individualised forms of participation at the operational level. Green areas were present at one firm and work teams were present at another. The work teams had been introduced by management without consultation with workers as part of a management initiative to prepare the workforce for an export drive. Depending on line management in a particular area, team leaders, who were hourly paid, had either been appointed or had been elected by team members. Management had, furthermore, not introduced team leaders as part of an initiative to increase worker control and team leaders were not integrated into any worker representative structures.

The Co-determinist cluster consisted of firms facing very much the same sorts of competitive pressures as those in the Participative Structures cluster. These firms had also engaged in significant restructuring and their production strategies were moving more in the direction of WCM. However, the defining feature of this cluster was the highly structured nature of participation and its foundation in very strong and creative trade union organisation. Participation was rooted in collective agreements and the union was involved in decision-making at all levels of the firm, including the board level. There was also extensive information disclosure. Industrial relations management at these firms were primarily (though not

exclusively) responsible for designing and negotiating the participative structures. The attitude of managers in this cluster was one of high commitment to the partnership with unions and to the development of competitive strategies based on the foundation of co-determinist structures.

In moving away from the traditional pattern we also observed firms that appeared to be on a fundamentally different path. This is suggested by firms that were pursuing a pattern that emphasises participative processes rather than participative structures. These firms were also facing pressures of international competition, but tended to have somewhat uncertain industrial relations environments. In certain cases the unions, while representative, were not particularly strong (union rivalry was a feature at some of these firms), and management-union relations were poor to average.

Management had introduced a variety of schemes to involve employees more at the operational level, seeking their commitment to the goals of the firm. They also emphasised the need to lay a proper foundation for effective participation, which was preceded by training and capacity building. Participation was therefore seen as part of an on-going process to develop employees and improve their ability to contribute to the performance of the firm. This was part and parcel of a move towards more flexible production methods and the pursuit of international best practice in their manufacturing strategy. The human resource development function emerged as particularly strong in this cluster.

The outlier to the left of this cluster (that is F12) showed the most extreme form of a human resource development-driven approach to participation. In this case management was seeking to exclude the union from participatory structures and was at that time intent on involving management and supervisors only in participatory processes. Workers were organised in teams but there was no scope for representative participation.

The two consultancies in the Participative Processes cluster emphasised that their approach was to work with unions at firms, but they tended to be management-oriented and followed a top-down format to participation that emphasised information sharing but little or no participation by workers beyond individualised involvement at the operational level. These firms retained some traditional industrial relations services but had widened their scope to include organisational development. It was the latter focus that had led to their involvement in assisting firms with participative schemes and processes.

Only two firms made up the remaining cluster. This cluster revealed the integration of industrial relations and human resource management functions in the management of employees, with a clear direction being given by the WCM production strategy. These firms displayed the best of both the human resource development-oriented approaches (on-going investment in human resource development and training, and participation at the operational level), and the industrial relations management-oriented approaches (highly structured participation at all levels of the firm and a commitment by management to working in partnership with the union). These approaches were integrated with a production strategy that emphasised a team-based, multi-skilled workforce.

The firms in this cluster were, however, different in a number of respects. One was a world player with major penetration into export

markets. It was not therefore pursuing international competitiveness in a survivalist fashion but was rather seeing it as a way of expanding and growing. Its competitive strategy had evolved over time and had various sources. The other firm was much smaller, and was focussed on a relatively specialised section of the domestic market. The main source of its approach to participation had been a head office initiative launched a number of years before, primarily (it appeared) driven by an individual manager. This firm had been under new ownership for a few years, but had continued with the same approach, although it seemed that certain problems were emerging under the new owners because of their lack of understanding of and commitment to the participative processes and structures that had been developed.

The two consultancies close to or in this cluster were strongly oriented towards organisational development, and worked closely and over a long period of time with client firms. These clients were major firms that tended to be at the forefront of the drive to build more participative, efficient and competitive organisations. At these firms the consultancies had facilitated the introduction of comprehensive, multi-layered participatory structures and had changed the organisation of work to utilise labour and technology more efficiently. They worked very closely with the union at every step in this process. At one firm the entire process was, furthermore, underpinned by a collective "work-place change" agreement with the union that sought to address any fears that the union might have regarding the implications of the process. For example, such agreements provided that no retrenchments could flow from work reorganisation. Furthermore, these consultancies placed great emphasis on training both management and workers for participation. They therefore sought to build capacity within the firm to drive its own continued participatory evolution.

The clusters reveal that although management is under the influence of the ideas and trends that advocate greater participation, they are in most cases letting go of managerial prerogatives very slowly. Where there are no strong unions present the human resource development influence was predominant and the firms were adopting limited forms of participation at the operational level that emphasised individual involvement in decision-making in the performance of work. In only a few cases had firms, under the threat of international competition and with a history of strong union organisation, surrendered significant managerial prerogatives in favour of extensive forms of consultation and negotiation of business decisions with workers and unions. In even fewer cases had this partnership with workers and unions been integrated into their WCM strategy in a way that sought to draw on the best aspects of these streams of ideas to achieve international competitiveness.

## 6 CONCLUSION: OPTIONS FOR LABOUR

Much of the management literature on strategic management appears to have only a limited impact on management's thinking.<sup>10</sup> In most cases

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<sup>10</sup> Terry White notes that only 20 percent of managers buy business books, and of those only two percent get beyond the first chapter (*Sunday Independent Business*, 13 April 1997).

managers appear to be influenced in a general way by this literature but in practice they adopt an incremental approach to management that often shows little evidence of an integrated, overarching strategy for the management of the firm. This is particularly evident in the case of human resource management and industrial relations management, which appear to be often seen as discrete management functions that are only loosely co-ordinated with other areas of management.

The lack of integration is particularly evident when one considers management's approach to worker participation, which tends to fall somewhere between the specialist areas of human resource management and industrial relations management, and which should also involve production management to an important degree. Our research shows that many managers have been influenced by the new approach to management being propagated in modern management literature, which draws heavily on the concept of strategic human resource management, and are consequently broadly accepting the need for greater worker participation in firms. But in South Africa, unlike the United States where much of the management literature (and particularly the strategic human resources literature) is being generated, the union movement is strong and militant. This has led to a cautious and circumspect approach by managers and a more important role for industrial relations managers in moves to establish participatory structures or processes.

There are two important conclusions to note –

- Management will continue to pursue initiatives in the direction of greater worker participation, but the form these take will in the main depend on the way management is structured at the firm and the way the union responds to management's initiatives in this direction.
- It is also likely that management will continue to follow a pragmatic, step-by-step approach to the introduction of participative structures and processes at firms.

These findings are important for trade unions that are developing their own strategic approach to worker participation and, more specifically, work-place forums.<sup>11</sup>

Firstly, the research shows that management is generally in favour of increased worker involvement or participation in decision-making and is likely to continue with initiatives in this direction. However, as discussed above, different managements view participation in different ways and are adopting a wide variety of approaches to participation, both in terms of the structures for participation and the content of participation. It is therefore essential that trade unions should develop a comprehensive and all-encompassing strategy on worker participation (including work-place forums). A strategy that focuses narrowly on work-place forums (for

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<sup>11</sup> It must be stressed that the research focussed on selected leading firms only and was not representative of the broad cross-section of employers in the country. The points that follow must be seen within this context and other approaches might need to be followed by unions for many other firms, particularly medium-sized and smaller firms.

example, that work-place forums will not be “triggered”) will not address the many other processes through which workers are, to a greater or lesser extent, being drawn into forms of co-operative decision-making (particularly those deriving from the human resource development influence). This means that unions first need to define what they see as worker participation, in terms of both structures and content, outside of their traditional forms of engagement with management. Then they need to develop a broad strategy that encompasses this definition (and which includes work-place forums).

Once worker participation is defined by the union, a number of strategic options present themselves. First, unions can reject all forms of worker participation and call for members to withdraw from any existing processes or structures that fit the definition. This eliminates the dangers to unions posed by participation, but also blocks any gains that could be made and runs the risk of alienating members who see participation as advantageous for workers. It might also be difficult for unions to enforce such a ban on participation in work-places where workers believe they have made gains by engaging in a participatory structure.

Secondly, unions can ignore the issue of participation and focus their attention exclusively on the traditional forms of engagement with management, that is through shop steward committees and collective bargaining structures. Such an approach means that unions ignore the potential gains that they could make through participation, while not countering any of the dangers that participation poses for collective organisation. It effectively means that unions leave the way entirely open to management and passively allow the current human resource management discourse on participation to dominate in the work-place. We submit that such a strategy (or absence of strategy) carries the greatest risks for the union movement.

Thirdly, unions can decide to accept worker participation in principle and engage in a defined range of structures or participatory processes. However, this raises the problems of which structures or processes they participate in, and how the union manages this engagement if it is taking place at many firms with different firm-specific emphases. One option in such a case would be for unions to choose a single vehicle for participation that can be relatively standardised, and through which all participatory processes can be channelled, screened and monitored. This would allow unions to retain some sort of control over the many participatory approaches being presented by management. It will also allow unions to develop consistent approaches to servicing such a structure and training members to participate in the structure. A work-place forum is an obvious and appropriate candidate for such a participatory vehicle. It is a statutory-based model of participation with a set of rights and powers encapsulated in a constitution that (although they can be varied extensively by collective agreement) could provide a relatively standardised benchmark for participation.

Furthermore, the range of issues over which the LRA provides that consultation with a work-place forum must take place (particularly changes in

the organisation of work and restructuring of the work-place, including the introduction of new technology and work methods) would include most if not all of the types of Participative Processes identified in this study (which, however, tend to emphasise individualised participation at the operational level). With a work-place forum in place, the introduction of all such processes would have to be approved first by the forum. This would allow the trade union to keep some control over these diverse management initiatives that have the potential to undermine more structured and genuine forms of participation.

The advent of work-place forums gives unions the means to take the initiative away from management and take the strategic high ground on the issue of participation. Although management generally initiates participation it does not have clear strategies and is proceeding in an incremental way. So it appears that there is considerable "space" for unions to make moves of their own and secure rights in decision-making. Unions could therefore drive the participatory processes at firms through the vehicle of work-place forums. And the strong rights-based nature of work-place forums should protect unions and members from being undermined by management initiatives.

Where unions are not representative at a firm and therefore can't trigger a work-place forum, it is suggested that they could aim for a non-statutory structure which closely resembles a forum. As long as a certain minimum set of requirements are met that will secure workers' rights in decision-making over the types of issues that work-place forums deal with, the structure will provide the sort of base that a union can use to push for a statutory forum. Similarly, if there is a structure in place at a firm which exceeds the requirements provided by the work-place forum model, then this can be left as it is or can be converted to a work-place forum of a particular type to secure the protection of the statutory rights. The important point in the above cases is that unions assess the circumstances in each work-place strategically and make a choice as to the most appropriate participatory structure, with the work-place forum model providing a benchmark.

A further point that unions should note is that it appears from the research that the WCM/Partnership cluster provides a combination that could benefit labour in most respects. It has the potential to create the conditions for the development of an internationally competitive enterprise which is founded on a team-based, multi-skilled workforce, with ongoing extensive investment in human resource development and training, governed through a highly structured partnership between management and organised labour. This represents the integration of a world class production strategy, and progressive human resource development and industrial relations strategies. It is suggested that a work-place forum attempt to structure its engagement with management in such a way that these three main functional areas of management are represented in the senior management delegation that meets the forum. This will allow for a coordination of these functional areas in the deliberations with the forum which will drive participation at the firm along the WCM/Partnership



route, and will guard against the overemphasis on the side of management of any one functional area to the possible detriment of labour. In effect, the union would be forcing management through its engagement with the work-place forum to develop an integrated competitive strategy founded on co-determination.

Finally, it goes without saying that if unions do decide to engage with management in certain participatory structures, they should do so from a position of strength. Participation is always open to manipulation and needs to be protected by a strong and active trade union.

Furthermore, participation is unlikely to be meaningful where the union is poorly organised and weakly represented on a forum, where there is trade union rivalry in the work-place, and where the union is unable to service and support its members when they engage in those participation structures. Unions should see participation as not only an inroad into certain managerial prerogatives but as a way of building shopfloor organisation and capacity. To repeat the point made above: trade unions should view their involvement in participatory structures strategically. Unions should therefore only participate where management devotes resources, such as training, to the employees that engage in the participation structures so that they are genuinely empowered and a democratic culture can develop for improving the performance the firm.

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