

**Course Name: Labour Welfare and Industrial Relations**

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**Lecture: 49**

**Lec 49: Workers Committee, Joint management Councils**

Hello learners, welcome back to the course on labor welfare and industrial relations. We move to the next lecture of this module where we were discussing workers participation in management. We look into workers committee. We have tried to introduce this topic in the previous lectures. Today we'll look into greater detail of works committee.

We'll also look into the joint management council. If you recollect, if you've gone through the previous lecture, you'll see that what is the relevance of JMCs, Joint Management Councils we have seen, what is the relevance of Works Committee we have seen. Now let's look into the actual reality of what the Works Committee is all about and what do you mean by the Joint Management Council.

I'm Dr. Abraham Cyril Issac. I'm an Assistant Professor at the School of Business, Indian Institute of Technology, Guwahati. When you look into the worker participation management specifically from the work committee or the works committee point of view, let's understand these two segments clearly or these two committees or organization clearly. One is the works committee and another is a joint management council. When you look into the works committee and joint management council, they are the most important. important structures in industrial relations.

It has got that image now. When you're looking into these two segments, I'm discussing first collectively both of them. The term works committee here also known as work council or labor management committee specifically. So there are different words or terminologies associated with these works committee, different names associated with

works committee. Let's say if you are hearing works committee, please understand it is synonymous to work council.

It is also synonymous to, let's say, labor management committee, etc., So all these things, be it works committee, be it work council or labor management committee, it refers to an organizational structure in which the representatives of management and employees work together to address the critical issues workplace issues and to enhance general working conditions we have seen this I just wanted to underscore the relevance again of the two fundamental blocks when it comes to the industrial relations that is on one side you have the management. or the employer. And on the other side, you have the employees.

So all the paraphernalia that comes with the employees, let's say the employee corporations, trade unions, etc. On one side, all the other, you know, set of people or set of entities that come in the other side, let's say management, let's say employer, their federations, their corporations, etc. All those take the other side. So this works committee has actual representative or representation, right? From both these denominations.

So the idea and design of works committee might differ slightly, you know, depending on the nation, depending on the economy, depending on the industry and even a labor laws that are applicable in that particular area. So when you look into the essence of these committee. To promote cooperation and communication between management and employees has been vital for the creation of something like a works committee or a joint management council for that matter. When you specifically look into JMCs. joint management councils provide a platform for debating and resolving issues at work you know not only the primary aim yes it is to resolve issues at work but it also enables you or it also facilitates uh you know the worker or the employer in raising morale and productivity and also becomes instrumental in improving the working conditions so when you look into both this work committee and the joint management council they are categorically the most important structures in industrial relations they aim to promote effective communication and cooperation between employers and employees as i've already mentioned they contribute to a harmonious work environment. They bring in positive industrial relations all together. Employers actually should embrace these structures to achieve organizational success. Now, when you look into a works

committee, let's start from the definition of works committee. A works committee is a statutory body formed under the Industrial Employment Standing Orders Act 1946.

Now, when you look into history, the first labor management association typically started in 1947 with the passing of Industrial Disputes Act. Then what happened is that this Industrial Disputes Act was the anchor. The act provides that in case of any industrial establishment, in which 100 or more workers are employed on any day in the preceding 12 months, the appropriate government may, by general or special order, require to have a works committee. So the employees constitute, in the prescribed manner, a works committee in the particular establishment and that was the mandate given by the Act.

Now, when you look into specifically a works committee, a works committee, as I've mentioned, is a statutory body. When you look into works committee, you will understand it is designed to facilitate communication and promote harmonious relations between employers and employees in an establishment. And finally, as I've already mentioned, it is mandatory in establishments with more than 100 workers or a council. composed of both employers and employees convened to discuss matters of common interest concerning a factory. It could be concerning a plant or maybe a business policy, etc.

Not covered by the regular trade union agreements form part of this agenda of works committee. When you look into works committee, let's understand the nitty gritty of this works committee from the functional point of view. What are the different functions of the work committee? The first and the foremost one, we go systematically. We start with the key function being promoting the measures to secure and maintain amicable relations between employers and employees.

That is clearly established till date. Now, when you look into the other functions of work committee. We see that it discusses matters of common interest. It discusses matters of common concern. It could be something like working conditions.

It could be something like safety, the welfare and amenities, etc. The Works Committee specifically facilitates speedy redressal of grievances by bringing them to the notice of the management. When you look into other functions of the Works Committee, it is not

an exhaustive list. You look into other functions, it has a continuous checking of labor law, a continuous check about work safety, health and safety regulations. The Works Committee typically takes radical steps when the employer does not actually respect the employee's rights.

Also, the works committee gives current information about the company's achievements, the company's activities in the first place, employment and everything that affects the company and the employees. So the right to jointly decide about the company and manage together the entire paraphernalia of the company is what is the entire set of objective of function of the works committee. So there can also be other tasks that can be assigned to works committee or, you know, potentially what they carry out would be in some other dimensions also. Like, let's say some of the examples which I can give is that they can investigate and respond to complaints from workers about issues like workplace safety, issues like the health, issues like welfare and making recommendations for the corrective actions of the above issues. Or they can also ensure that the workplace meets the applicable legal requirements for matters of health, matters of safety and welfare.

And they are adhered to. It's not just on paper. It is not just as a token or not just a part of, you know, to show off. Rather, they are actually concerned and actually going through and meeting the applicable legal requirements of health, safety and welfare. There are other critical functions which they can do, like developing and implementing a plan to ensure the safety, health and welfare of workers in the workplace.

Or they can assist in resolving disputes, let's say, between workers, between employers and other stakeholders. Or even to a certain extent, they can promote cooperation and collaboration between workers, employers and other stakeholders. And even they can be instrumental in encouraging the adoption of best practices in the workplace. So these are some of the critical functions of the works committee. If you dissect and see the works committee and that was important.

The entire intention of this lecture. When you look into the composition of works committee, you'll understand that, you know, usually it consists of appointed management officials and elected labor members. The size of the corporation and the governing rules

or agreements may affect. the actual number of members and the election procedures so when you look into the composition of works committee you'll see that there is equal representation from both the management and workers preferably with an odd number of members so this is what i've already tried to establish The case of equal representation, there should be equal say for both the parties, then only it will be more democratic in nature that will be designed on a democratic setup.

When you're looking into the works committee, management representatives are nominated by the employer, while workers representatives are elected by workers themselves, because we are not looking into a small number. When you're looking into the employer perspective, yes, there might be a few, but they can actually come up with some policies, maybe some rotation policies, whereby this nomination comes to every single of the individual based on maybe seniority or some other considerations for that matter. But when it comes to the actual representatives that are elected, representatives of workers, they are actually elected because that shows the metal. They have to show their merit and they have to come up the ranks. So this is how the management representatives are nominated.

This is how the nomination or the selection or this is how the entire works committee is actually formed. When you look into the chairperson, the chairperson of the committee is selected from among the worker representatives and has alternate terms. So these are the critical factors associated with the composition of works committee. When you look into the works committee, let's understand whether this is beneficial. Why we are doing it?

We have essentially tried to figure it out. But is there actual some benefit associated with this works committee? Let's see it now. When you look into advantages of work committee. We see that it enhances the communication and it improves employee engagement.

More and more people are part of the decision-making process. They are more keen on the decision-making. As I've already mentioned in the previous lecture, there's a sense of ownership. More than that, there's a sense of collective ownership. There's a sense of responsibility.

People are taking decisions on their own. Some accountability on basis of some responsibility. So all this categorically improves the employee engagement. They feel that they are also part of the decision making. They try to give the best of their effort.

It provides the platform to address the workplace issues and concerns. When you look into situations like works committee. It is a welcome change where people were not having an actual platform to exchange their concerns, exchange their grievances, exchange their ideas or to raise the concerns they were having. This essentially comes in as a saver. This comes in as a phase saver whereby the employers can also say if there are some concerns, you can always pitch it through the workers' committee.

The works committee will actually, you know, deliberate on this and will come out with an amicable solution, which is neither harmful for the employer nor for the employee. So getting into such decisions is not an easy concept if you do not have the systems in place like works committee. These committees or such committees actually enhances, as I've already mentioned, communication. And more than that, it creates a potential platform for addressing the workplace issues. When you look into a works committee, it reduces industrial disputes and enhances corporation as a result.

It fosters trust, understanding and mutual respect between the workers and management workers. More than that, it enhances the morale when workers feel that they are appreciated, they are heard, their job satisfaction levels typically rise. There are research implications or research proofs associated with this contention. There could be possible decrease in confrontations by proactively addressing problems. A forum for open discussions can lower the probability of the certain confrontations that otherwise do exist within the system.

There could be typically improved decision-making process altogether, including staff members and decision-making procedures can actually result in more workable and efficient solutions. And finally, there could be critical aspects relating to the increased productivity a peaceful work environment can actually without doubt increase output and efficiency in general so when you are looking into the works committee specifically what we have to understand is that it forces trust i'll take this significant fourth point it fosters

trust and understanding i've tried to elaborate on the trust factor I've tried to portray something called as a distress loop. If you remember in one of the previous lectures, I'll repeat it here.

See, the moment you have a works committee, you are actually bringing the worker also into picture. They are also getting the say within the company. Now, when they have the say within the company, the interesting part is that they are more inclined towards doing good. They are more inclined towards performing better with a high productivity. Now, the important part is, let's say if that trust quotient is not there, there is a certain distrust quotient that is moving around, hovering around.

Then what happens is that there is a lack of trust. There is a distrust between the employee and the employer. There is sort of, you know, skepticism, speculation. Every time there are hidden agendas that are being propagated. There is lack of professionalism within the network.

There are lack of understanding between the needs of the employee. So are the, you know, lack of understanding between the needs of the employer. So all these aspects typically create conflict. a distressed environment, an environment of distress. Now what happens?

There's a distress between the employee and the employer. There's a distrust that will be reciprocated in a similar way from the employer to employee. So what essentially happens is that there is a distress loop that is being created. Now, this is what is controlled or curtailed to a greater extent by, you know, arrangements like works committee. So this is what actually would be the true advantage of something like works committee.

Now, let's look into joint management councils in great detail. Joint management councils are voluntary bodies formed in an organization to address mutual concerns and improve the decision making process. It's an extension of the works committee in place. Let's understand this joint management council from the joint consultation point of view. When you look into the Joint Management Council, as I've already defined, it is a collaborative governance structure that actually brings several stakeholders together.

It would be to supervise and administer a particular project. It could be to organize something important or maybe just to take some initiatives. So several industries, let's say, including corporate governance, natural resource management, health care and education, you know, frequently employ this kind of council. So what we understand is that enhancing collaborative decision making, guaranteeing diverse stakeholder representation and advancing collaboration, Something like open and effective management practices are typically the primary goals of joint management council.

I repeat these critical words, enhancing collaborative decision making, guaranteeing diverse stakeholder representation and to a certain extent advancing open and effective management practices are often the primary goals of this joint management council when you look into joint management council they are voluntary bodies formed in an organization to address mutual concerns and to improve the decision making process so it is also at times known as the joint works council or also known as the joint consultation committee so these are the same things different textbooks may use different words you can have joint management council you can have joint consultation committee or you can have joint works council as well same thing when you look into the function specifically as we have seen in case of the works committee there are typical functions associated with the joint management councils also The first and the foremost one, undoubtedly, it encourages cooperation. It encourages participation and collaboration between employers and employees.

When you look into the entire Joint Management Council, it is a facilitating body, a facilitator to actual collaboration between the two entities, which are employers and employees, respectively. The joint management councils or the joint consultation committees actually discuss issues related to production, issues related to productivity, quality and efficiency. And it is instrumental in enabling joint decision making and joint problem solving activities or going for joint problem solving. When you look into joint management councils or as I mentioned, joint works council or joint consultation committee, there are multiple stakeholder involvement in this. Let's say it includes delegates from a range of organization.



It includes public and commercial sector people. It includes community organizations and other pertinent parties. It makes certain decisions. that all stakeholders' interests and viewpoints are taken into account while making decisions. So when you are looking into the joint management councils for that matter, it works together to make decisions.

You know, how it works is interesting. Majority vote or consensus are generally used to make decisions, which promotes a feeling of accountability and shared responsibility. It encourages each member to engage and participate actively. When you're looking into the Joint Management Council, open and accountable governance is typical. It follows precise guidelines and protocols to guarantee openness in all the business dealings which are being undertaken.

It releases information and updates on a regular basis to inform all parties that are critically involved. within the stakeholder limit. And when we look into joint management councils, we have to also understand it as a conflict resolution mechanism. How? It creates procedures for handling and settling conflicts between the stakeholders or between the parties involved.

It encourages negotiation and mediation in order to preserve the peace and harmony in the workplace. And if we further delve deeper into the joint management councils, we'll understand that there is strategic planning and oversight. It creates a long-term plan. It creates strategies. It creates strategies to fulfill the initiatives required aims and objectives it keeps an eye on the development and performance adjusting as needed to stay relevant and critical so these are some of the essential functions of the joint management council now we look into the composition of joint management council we have seen what benefits do joint management councils or what functions do they do now let's look into the composition when you look when you discuss about the composition of joint management council we see that There is representation from both the management and workers. Typically, it happens in the two is to one ratio. Management representatives include top level executives and supervisors, while workers representatives are elected by the workers themselves. When you look into such a setup, you will see that there is improved decision making.

It includes staff members and decision making procedures that can result in more workable and efficient solutions. And ultimately, All these things lead to increased productivity without doubt. A peaceful work environment can definitely invariably increase output and efficiency in general.

So when you look into the composition of joint management council, management representatives include top level executives and supervisors, while workers representatives are elected by workers themselves. Now let's look into the essence of today's lecture, that is advantages of joint management council. So why you actually need them? What are the advantages of joint management councils? Let's break it down from the first one.

It enhances employee involvement and engagement in decision making. It typically promotes transparency and fairness in organization. How does it promote fairness in organization? Take a moment and ponder about this. You'll see that more and more of representation that's happening.

There are people who are listening to you. There are people who are going to talk on behalf of you. That itself actually increases the fairness of the process. What is an unfair process is when Your side is not being heard.

Many a time it happens, you know, many a time it happens that there is some issue that is coming up unilaterally. Your manager makes a decision. Now, is it the right way? Sometimes it happens that you don't know what exactly is the problem. There might be some complaint that is coming against you.

Maybe it is being triggered by a third party who is your competitor or who is detrimental to your growth. So we do not know what exactly is that has actually triggered the whole issue. But your manager hears the opinion. hardly shares it with you it triggers an outburst which is unprecedented because there cannot be a actual transparency involved the reality of the situation should be actually communicated to the stakeholders if let's say x is complaining about y there is a side of x There is a side that Y has.

Typically the manager should bring in the third perspective which is often the reality, which is often the truth. So he or she should be able, is she or he able to bring in the third dimension. That is to cut a midway, cut a via media between these two opposing parties. Now this will only happen When there is transparency, this will only happen when there is actual intention to share to both the parties.

Now, when this is not there, you need to have arrangements like joint management councils, which will empower an employee. that his idea or her idea is also being heard. Some issues what they are facing is also having a representation at the top management. This is the vitality. This underscores the criticality of joint management council.

Let's look into other advantages. Typically, it facilitates a sense of ownership and responsibility among employees. When you look into sense of responsibility and ownership, I have time and again mentioned about that. When you look into the joint management councils, it encourages innovation and continues improvement, which we have also discussed. Not only that, it has a certain purview of better communication.

It improves the communication, frequent meetings, facilitate communication between management and staff. It is essential in increasing the cooperation. You know, a culture focused on teamwork is fostered through collaborative problem solving. Now, this is vital. Collaborative problem

When you are talking about the setups or engagements like joint management council, we have to understand that there is a collaborative problem solving that can happen through such networks or through such establishments. There is always employee empowerment that happens to be an advantage of joint management council. A greater sense of involvement is there. A greater sense of involvement in the decision making process is there among the staff members which actually helps boosts morale and increases the job satisfaction.

And finally, there could be proactive problem solving. I already mentioned about the collaborative problem solving. There are situations where possible problems can be resolved before they become very serious disputes. So this is what Joint Management Council is all about. I will just take two essence or two takeaways from this lecture today.

collaborative problem-solving and proactive problem-solving why we need the joint management council I have tried to emphasize on the need that there is somebody there is somebody which actually puts your representation into the higher management that is taken care of your voice is heard you are essentially given the required psychological safety but what about the actual problem When you look into the arrangements like works committee or joint management council or joint management committee, what you understand essentially is that there is a collaborative problem solving, collaboration between the employer and employee, collaboration between all the necessary stakeholders that otherwise would stay indifferent. And also there is proactive problem solving the moment there are some arrangements like works committee or you know joint management council etc. There could be a proactive problem solving means that let us solve it now itself so that it does not go ahead and you know turn out to be a big dispute. which will take away, which will eat away a lot of the time, lot of the cost, lot of labor, and lot of the resources, otherwise the company can utilize, otherwise the organization can utilize in a better way.

That's all from today's class. We'll see with greater details in another class. Till then, take care. Bye-bye. Thank you.