

## WORKERS' PARTICIPATION IN MANAGEMENT

### 1. ABOUT THE PROJECT

In accordance with the EU values and needs in industrial relations it is important to raise awareness of the importance of employee representatives' role in companies not only in EU Members but also in countries that are in any stage of EU accession process.

None of the participating EU Candidates have any legal framework on employee participation in undertakings. But all of them have well organized trade unions, established at all levels - company level, branch level and national level. EU Candidates have to work on the awareness raising of potential benefits of implementing the participation-of-workers model in the decision-making processes, as well as on the identification of challenges and mental barriers which could hinder such implementation.

Key future challenge is not merely of legal nature, but a challenge of placing the institute of employees' participation in decision making in existing legal and cultural industrial relations framework. It is necessary to work with trade unions in this issue in the future, to define their role in anticipated future state, and to consensually redefine the role of trade unions if deemed necessary, and delimit the role of trade unions and works councils in the future.

WIM3 project will help to deepen the understanding in participating countries of an importance of workers' participation schemes, and will serve employers' and workers' representatives as a tool to exchange know-how and experience. It will be helpful to familiarize all relevant stakeholders with EU law and policies, as well as serve as a facilitator for new developments to prepare the basis for legislation on employee involvement, taking into account EU law and policies.

### 4 main workstreams of WIM3

#### *Workstream 1: AWARENESS*

Promotion and awareness raising of EU law and policies on employee involvement in undertakings, including more direct actions, e.g. providing expert support for drafting legislation on employee involvement, as well as expert support for creating favourable conditions for the setting up of mechanisms and national information, consultation and participation bodies (Serbia, Albania).

#### *Workstream 2: EXPERIMENT*

Further promotion and awareness raising of EU law and policies on employee involvement in undertakings, including more direct actions, e.g. experimental implementation in pilot companies of starting point for legislation on employee involvement based upon the solutions from the WIM2 draft of "Workers' Participation in Management Act" (Macedonia, Montenegro).



### *Workstream 3: MONITORING*

Survey among employers on their view of the existing legislation on employee involvement in undertakings and recommendations for its improvement as well as opinion on adequacy of EU acts in the area of Information and Consultation of Workers (Slovenia, Croatia, Bulgaria).

### *Workstream 4: MANAGEMENT*

Overall content and financial management of the project, partner meetings / learning events and dissemination activities.

## **Project partnership**

*Applicant:* Association of Employers of Slovenia (ZDS)

*Co-applicants:* Employers organisations:

Croatian Employers' Association (CEA)

Bulgarian Industrial Association – Union of the Bulgarian Business (BIA)

Business Confederation of Macedonia (BCM)

Montenegrin Employers' Federation (UPCG)

Serbian Association of Employers (SAE)

Union of Albanian Business (BiznesAlbania)

*Trade unions:* Macedonian Confederation of Free Trade Unions (KSS)

Union of Free Trade Unions of Montenegro (UFTUM)

The Confederation of Autonomous Trade Unions of Serbia (CATUS)

The Union of the Independent Trade Unions of Albania (BSPSH)

*With support by the European social partner organization BUSINESSEUROPE*

## **2. WHY WORKERS' PARTICIPATION?**

Workers' participation in management is one of the key ingredients of Industrial democracy. The concept of workers' participation in management refers to participation of non-managerial employees in the decision-making process of the organization. The International Labour Organization (ILO) has been encouraging member nations to promote the scheme of Workers' Participation in Management, whereas the *Acquis communautaire* imposes member states, to implement a legal framework for establishing collective workers' representative bodies at company level.

Workers' participation does not mean that workers in fact take managerial decisions, however the right to be informed and to be consulted on issues concerning workers as a whole is an important aspect of managing changes in the company. Hence workers have an opportunity to obtain the information on their role in the company and on foreseen changes, as well as share their opinion and thus contribute to better and more balanced decisions and measures.

Workers' participation in management has benefits for companies as well; it provides management with (from the workers' perspective) properly communicated, legitimate and transparent decisions, which lead to better implementation of changes and much smaller possibility of rejection of



introduced and/or anticipated changes. It also contributes to more open and communicative relationships in the company.

The main objectives of workers' participation in management are as follows:

- To raise level of motivation of workers by closer involvement.
- To provide opportunity for expression and to provide a sense of importance to workers.
- To develop ties of understanding leading to better effort and harmony.
- To act on a device to counter-balance powers of managers.
- To act on a panacea for solving industrial relation problems.

### 3. USEFUL LINKS

- <https://www.zds.si/en/projects/wim3/default.html>
- <http://ec.europa.eu/social/main.jsp?catId=707>
- <https://www.worker-participation.eu/>

