

THE THEORY AND PRACTICE OF SELF-MANAGEMENT  
IN ALGERIA

by

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## ABSTRACT

The central aim of this thesis is to evaluate the viability of a self-managed organisation in a socialist economy using Algeria as a test case. More specifically it concentrates on appraising how far the stated aims of the government's charter of 'Socialist Management of Enterprises' have been translated into practice, through the case study of a fairly representative Algerian organisation in the steel industry. In the first part of this thesis the concepts of power and participation are related by arguing that a power approach to participation is necessary if there is to be a better understanding or any systematic analysis of workers' control, whether at national or international level. Moreover, by analysing models of workers' participation in operation in three other countries (Germany, France and Yugoslavia) in conjunction with Algeria, some promoting and inhibiting factors to the development of workers' control have been identified. It is shown that some aspects of participation irrespective of national conditions tend to reproduce themselves.

Results from the Algerian case study suggest that the Algerian model is still very far from the claimed objective of power equalisation. However, some successes in terms of educating a newly industrialised workforce and involving it in participatory procedures has been achieved.

It is concluded that the major reason why attempts at democratising the decision making process have been unsuccessful is that, model builders, simply grafted a participatory structure onto a traditional one. Indeed whenever there is juxtaposition of hierarchical and democratic structures the first one seems to win out.

## INTRODUCTION

The background to this thesis lies in the area of industrial democracy which takes a variety of forms in both liberal and socialist societies. By and large the notion of workers' participation is one strand of thinking and another is workers' control or workers' self-management. The main difference is power and its distribution. In most western capitalist states the problem that is encountered is, all too often, concerned with how employees may be given a share in managerial decision making within the existing power structure in industry. By contrast, in Algeria and Yugoslavia there has been an attempt, using legislation, to shift the balance of power and distribute it more evenly. And even though some western critics of particularly the Yugoslav experiment seem to relish any evidence of failure to achieve this ideal, nevertheless the ideal remains.

Compared with self-management in Yugoslavia little has been written about self-management and subsequently 'socialist management' in Algeria. In fact what has been written is in the main descriptive and pragmatic rather than theoretical or evaluative.

This project has arisen out of my interest, as an Algerian, in Algeria's development of a specific model of workers' management. Being involved, prior to this research, in a self-managed organisation, I always

thought that the model was the perfect answer to Algeria's developmental problems. And that it has succeeded in achieving a democratisation of the decision making process to a greater extent than other models available in other socialist or capitalist countries. My belief was that these models were typical examples of pseudo-participation.

The time is now ripe to evaluate the success or not of this model and consider how well it has resolved the problems - ideological and theoretical as well as practical. A study of the Algerian model will be interesting on two accounts. First of all, at its inception the 'decret of Mars 1963', which introduced self-management (autogestion) in Algeria, bears very strong similarities with the Yugoslav model and due to problems we will develop more extensively later was finally dropped in 1971 in favour of a revised model taking more account of the Algerian context in terms of history, traditions and values. This, incidently, reaffirms that no model is exportable as such. The second important feature is that the Algerian system is still very strongly committed to socialism. The manner in which Algeria has dealt with problems arising during the institution of its specific model could be of great use, not only to underdeveloped countries which encounter similar types of problems resulting from years of subjugation under colonial rule, but also to developed countries which are contemplating the introduction of participatory schemes.

Having put together the basis of a socialist society by means of a collective appropriation of means of production, distribution and exchange, Algeria embarked on a vast program of measures in order to redress its devastated economy just after the independence in 1962. By laying the basis for heavy industry through what has been called the 'industrial revolution', engaging in a land reform and subsequently taking drastic steps in order to ensure the decentralisation of its economy with the introduction of self-management system (called socialist management of organisations). The claimed objectives of this model introduced in 1971 and defined as being neither co-management nor self-management Yugoslav style were twofold.

- Allow workers through the power given to them, to assume their respective duties in the construction of socialism.
- Allow control mechanisms to operate in order to preserve fundamental rights of workers and prevent any deviation from socialism.

The debate on industrial democracy in Algeria, as in other countries, is very much alive and is the concern of a wide cross section of society. However, most of the publications relate to the pre-1971 period and have little relevance to what is happening currently. As

far as the new model is concerned, it can be noted that a great number of studies are almost entirely descriptive, mostly based on a theoretical critique rather than on empirical research.

A central aim of this thesis is to evaluate the viability of self-managed enterprise in a socialist economy using Algeria as a test case. More specifically it concentrates on appraising how far the stated aims of the government's charter have been effectively translated into a real democratisation of the decision making process, or not. Also whether existing participatory procedures entail or result in that democratisation process.

An empirical study of a unit of the steel industry producing metallic packaging has been undertaken in order to assess whether the participatory model in Algeria is amongst other things:

- Achieving power equalisation.
- Creating an effective learning environment within the organisation.
- Achieving workers' satisfaction.
- Eliciting demands by workers for more participative procedures.

- Assess how far differences in expertise are affecting the self-management procedures.

Consideration is then given to questions as to whether, and to what extent, the Algerian system will or will not be able to overcome the difficulties it is experiencing and what are the measures that can be taken in order to overcome the constraints to successful workers' participation. Ultimately, by analysing models of participation in operation in other countries, more specifically (Yugoslavia, Germany and France), there is an attempt to assess whether some aspects of workers' participation, irrespective of national conditions, tend to reproduce themselves.

France is obviously not unique in contemplating introducing workers' participation in European countries and Britain's experience would have been just as relevant in this research. After all, the Bullock Committee, although more extensive, has reached, in its majority report, some similar conclusions to the Sudreau Report in France. However, it has been decided that in relation to Algeria the French experience would be more relevant for a number of reasons.

- 1 As a previous colonial power, France influenced to a very large extent the Algerian legislative framework.



- ii There is some consensus among the various political parties and unions that self-management (structure autogestionnaire) would eventually be introduced.
- iii In many countries, particularly in Britain, many enterprises that face threats of closure due to economic difficulties, are transformed into co-operatives. However LIP which experienced similar difficulties adopted principals of self-management that have been very well documented.
- iv Finally, the May 1968 events support the proposition that, demands for a more equalitarian society are more likely to be satisfied in times of crisis or when the survival of any society is at stake.

The plan of this thesis will develop as follows. In the first two chapters there will be an attempt at relating the two concepts of power and participation, showing how power should be paramount in any discussions involving participation. As with any research scheme the reader has to be acquainted with the terminology, particularly on power and participation where, unfortunately, the literature is usually unnecessarily extensive and confusing.

The third chapter, which looks at three countries, will help to highlight how various circumstances leading to the installation of workers' participation, generate different approaches. Algeria should benefit from those experiences and it will be shown that although at macro level there are enormous differences between capitalist and socialist countries, at the micro level there are some similar outcomes to the application of participation schemes. The following chapters concentrate on Algeria with a presentation of the industrial relation system and an extensive case study of a fairly representative organisation in order to obtain information on the practical operation of workers' management. The research methodology consisted of two stages:

1. Series of formal and informal interviews:

Talks were conducted with officials of the Ministries of Labour, Transport and Heavy Industries as well as members of the National Trade Union. Discussions focussed on the progress of SME at national level, the effects of the new restructuring scheme on industry and also on the general economic situation. These talks were also designed to enlighten the researcher about the intricate relations that sometimes take place between ministry, unions and organisations and also were intended to measure the level of identification of workers with self-management ideals.

The same procedure was used at organisational level with members of the participatory bodies, managers and rank and file personnel, in order to understand decision making procedures, who is involved and consulted, as well as a wide range of other issues such as:

- Their views on self-management ideals, what activities they engage in, what type of documents are communicated to employees and their level of commitment to self-management committees.
- Their attitudes towards participation in general.
- Degree of authority to make decisions.
- Relationship with the environment.
- Personnel policy.

There was also a study of minutes issued during meetings of the managing council and the workers' assembly.

## 2. Questionnaires

A questionnaire was designed to gather data specifically on communication, attitudes to participation and the most important issue of distribution and total amount of power within the organisation. In order to assess this issue of power a variant of the control graph initiated by Tannenbaum and Kahn (1967) has been developed (this method will be discussed more extensively in the Methodological section).

From the above the reader will notice that I have used two approaches in conjunction to measure participation. The initial approach consists of a study of minutes and interviews in order to find out how successful subordinates or members of the worker' assembly are in effectively influencing decisions. The latter one will assess to what extent different categories of personnel are able to influence decisions, assessment based on actual and ideal perceptions derived from a variant of the 'control graph' method. (More details will be found in the section on Methodology).

In the final chapter, there will be a comparative analysis with the other countries already mentioned but more importantly I assess what are the lessons that can be drawn from the Algerian case. The analysis will, it is hoped, provide some answers as to whether it is possible to identify factors which promote or inhibit workers' management and which may be of assistance in providing some new evidence to add to the finding of research already carried out by others.

## CHAPTER 1

### THE CONCEPT OF POWER

In this thesis I argue that participation is more likely to be the outcome of changes in the power structure than the reason for such changes. The concept of power is central in analysing any model of workers' participation, in fact it is the common denominator that is necessary in order to have an effective assessment of participation. Some recent studies by the Decision In Organisation Group (DIO) and Industrial Democracy in Europe Group (IDE) achieved interesting results by incorporating the power concept into their research, although following separate approaches.

Moreover, this section is important in the sense that by analysing this concept and relating it to participation, the reader will understand better what is the theoretical basis behind the methodology that has been devised in order to assess the distribution and total amount of influence in the case study of an Algerian organisation. However, the two terms used, power and participation, are very much confused in the literature. Indeed, the proliferation of definitions has only added to this imbroglio of conceptual confusion instead of clarifying the topic. In fact March (1966) considers that power is the most important but also most problematic concept used in contemporary sociological theory.

The least possible burden will be placed upon the reader in this attempt to wind off this theoretical skein. This Chapter comprises two major sections, in the first one there will be a distinction between the systemic and relational or dyadic approach to the concept of power. We will see that although some aspects of the relational approach are interesting, the shortcomings that are associated with this approach makes it difficult to accept. The second section will assess how a pluralistic approach to the concept of power would probably be a better theoretical background to the research methodology that will be developed in a subsequent section.

One reason for the confusion mentioned above seems to be a very loose association between concept and methodology in researching this field. In other words the concept has either been studied rigourously but the instruments of measurement were very inadequate, or by contrast there has been a very sophisticated methodology, but unfortunately the treatment of the concept of power was very weak.

Proponents of the human relation school have largely ignored the concept of power, though this was probably understandable in view of their pragmatic objective of humanizing the work process and maintaining industrial peace. It is not unfair to say that on the one hand proponents of this school purport to have achieved an authentic transformation of power relations and on the

other hand have maintained the status quo by reassuring managerial staff that they still control the decision making process. However among those who have attempted to relate power and participation, and more specifically among those who have taken more account of the distribution of power, there has been a division of opinion. There are those who on the one hand think that power is a non zero game (Likert, 1951; Parsons, 1963) supported by research (Lammers, 1967; Tannenbaum, 1968; Mulder, 1971). In this view the increase in power of an actor does not necessarily mean a diminution of power for another actor. (In other words an increase in power by workers does not necessarily mean that there is a decrease in power for managers). This view is held on the assumption that there is an infinite amount of power. On the other hand there are those who assert that power distribution always obeys the law of a zero sum game when the total amount of power is fixed and where one actor's gain is always matched by another actor's loss. This view is supported by Mills (1956) and Dahrendorf (1959). Finally there are those who think that power has both zero sum and non zero sum manifestations. For example, in authority relations or the process of influence (Baccharah and Lawler 1980), or according to the nature of the decisions in question (Walter and McKersie 1965). This could be the basis of a fascinating debate; however, the definition of power used in this debate has seldom been clear. While it is important to analyse the distribution of power within an organisa-

tion (the implications of some empirical finding will be discussed in the next Chapter) it is first essential, as has already been mentioned, to clarify its fundamental dimensions.

### The Relational Approach

The concept of power has been tested in many different ways; the few definitions that will be presented in the following will stress the point that far from being harmonious these are, to a certain extent very divergent, not only within the same school of thought, but also among different disciplines such as sociology, psycho-sociology and politics.

"Power is the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance and regardless of the basis on which his probability rests".

(Weber, 1947).

Most of the other definitions revolve around this standard definition proposed by Weber, in that it shows that the concept means the ability of social actors to achieve an objective despite resistance. In the same vein Emerson (1962) proposes "The power of actor A over actor B is the amount of resistance on the part of B which can be potentially overcome by A". Blau (1964) however, in his theory of exchange, goes further by stating that it is "The ability of persons or groups to



impose their will on others despite resistance - through deterrence - either in the form of withholding regularly supplied rewards or in the form of punishment, in as much as the former, as well as the latter constitutes, in effect, a negative sanction".

Most of the definitions above have been classified under the broad heading of relational theories or the dyadic approach as some prefer to name it. The main thrust of this approach is that it places power in a relational and therefore social context. It is this interaction between actors, who can be either individuals or groups of individuals that compose an organisation which in turn could be society as a whole, that is important. This allows us to see power being reflected in the fact that some actors may realise their objectives by imposing their will on others. The relational approach as defined above implies that the actors take each other into account, that one actor tries to direct the other, and that they are operating in a common situation (Baccharah and Lawler, 1980).

Power does not mean anything if it is considered in isolation, it is the aspect of dependency that is stressed in any conceptualisation of power. In other words, two individuals or groups of individuals are tied together by relations of mutual dependency. This is one of the advantages of the relational theory, in that it will be others that will give meaning to any feeling of power.

Before going any further in examining the dependency aspect of power as reflected by the proponents of the social exchange theory (Blau, 1964; Thibault and Kelley, 1959; Chadwick and Jones, 1972), I would like to make further comments on Webers' conception of power and more specifically to his notion of authority which, at least on one aspect (Rational-legal), dominated modern organisational thinking. In fact I would argue that his invaluable contribution on bureaucracy which has generated a spate of studies has sometimes been taken out of context of his analysis of power. Also, as I am arguing in subsequent Chapters that present trends in the sociological theory of organisation indicate that participatory structures are likely to overtake all other forms of structures in particular bureaucracy, I felt it would be preferable to mention, even briefly, my understanding of his position within this present context.

As seen at the beginning of this section, Weber's definition specifically treated power on a relational basis. Also, the originality of his analysis resides in the fact that he considers power as a probability and therefore open to quantification. However, Weber's most discussed contribution was his theory of authority structures, in other words he characterised organisations in terms of the authority relations within them. For him, authority is legitimized power, it is what Biersted (1950) would characterise as institutionalised power. Weber identified three types of authority when

developing his well known typology of legal, charismatic and traditional authority:

- Legal authority is the most current type of power relationship in modern organisation.
- Charismatic The legitimacy of this type of authority is based on the specific characteristics of a power holder.
- Traditional is based in the established traditional order, it is tied to traditional precedents inherited from the past.

As specified before the above three types of legitimacy on which authority may be based are essential conceptual tasks to Weber's discussion on power. Despite Weber's exceptionally valuable contribution his basic assumption of conflict and antagonism in social relationship may not be welcome.

Blau (1954) on the other hand goes one step further from Weber's standard definition of power (see definition at the start of this section) in the sense that, he not only considers the notion of resistance, but also introduces the notion of influence and reciprocity. Let us examine briefly what are the basic assumptions of proponents of this 'exchange theory' approach.

## The Exchange Theory

By and large proponents of the exchange theory (Deutsch, 1966; Blau, 1964; Tribault and Kelley, 1959; Laswell and Kaplan, 1950) argue that, considering that there is an unequal distribution of resources, those who are deprived of those resources will be in a position of inferiority in relation to those who hold them. Hence, the latter will be in a position to transform their excess of resources into power by forcing other persons to comply and change their behaviour towards the desired objectives. In other words "... unreciprocated recurrent benefits obligate the recipient to comply with the requests of the supplier and thus give the latter power over the former" (Blau, 1964). Blau's conception is restricted in the sense that he implies that power has its origin in the unilateral provision of services, which at the extreme could mean as Clegg (1977) mentioned "... Restricting the concept of power to such unusual and bizarre situations, which seem to be virtually ones of slavery".

Furthermore exchange theorists not only conceptualised power relations as inherently asymmetrical but also assumed that mutual influence of the same intensity would indicate a lack of power whereas we surely can reach in an established power relationship, a degree of equal mutual influence. Therefore, although their position is an improvement there are a number of limitations.

First, Blau's definition itself leaves a number of questions unanswered as regard to what is the distinction between positive and negative sanction. Also, when in withholding regularly supplied rewards, the relationship is transformed and the sanction becomes negative?

Furthermore, on a more general level, exchange theorists although putting the question of resources as central to their analysis, did not proceed to a classification of resources in a systematic way and the most important question of how people happen to get scarcer resources than others has not been raised. As Ng (1980) rightly pointed out:

"... In a small group with random membership and no formal hierarchy, it may be inappropriate to require an explanation to answer the question concerning the differential of resources by the members. This does not justify however that the same question can continue to be unanswered when the distribution of resources becomes a regular pattern or when there exist certain particularistic norms which favour some people more than others".

Finally, when emphasising the assymetric aspect of a relation, there is a tendency to ignore the fact that at a macro level there exist some "switches" between those who are powerful and those who are subjected to it. Therefore instead of looking at a single separate

relationship their analysis when conducted around a cluster of relationships may well have shown a different outcome.

In summary the relational approach stressed that power takes place in a contest of interaction. However, despite the interesting contribution of exchange theorists, the many criticisms that it is subjected to, makes it difficult to adopt.

### The Systemic Approach

As implied at the start of this Chapter, a number of definitions of the concept of power are based on a systemic approach. Just as in the relational approach the debate centres on Weber's definition, so for the systemic definitions, at least so far as functional theorists are concerned, the debate revolves around Parson's view of power:

"Power is the generalized capacity to secure the performance of binding obligations by units in a system of collective organisation when the obligations are legitimized with reference to their bearing on collective goals, and where in case of recalcitrance, there is a presumption of enforcement by negative situational sanctions. Whatever the actual agency of that enforcement". (Parsons, 1963).

It appears that Parsons in his definition by implicitly concentrating on collective goals and defining power in terms of legitimacy, totally excludes the possibility of conflict. It seems that the whole argument of Parsons resides in emphasising the positive function that power performs. Furthermore, he sees power as a general capacity of a social system to get things done in the interest of collective goals. The sharpest criticism of Parsons was lodged by Rogers (1976) when he pointed out that to define an individual's power in terms of systemic goals is unnecessarily restrictive, aside from the methodological difficulties involved. People differ greatly in the amount of power they have. Thus this type of systemic orientation - power as a property of a system - is not an ideal tool to carry out this research.

By now the reader should be acquainted with the differences involved in approaching the concept of power and the restrictions inherent in the different definitions. This leads to the consideration of a 'pluralistic' approach for developing a methodology for the study of the configuration of power in an Algerian organisation.

#### A Pluralistic Approach to Power

Dahl (1957) and his followers contested the arguments of the 'elitist' school, namely that power is highly centralised, and that society has only one stratum

which consists of a small minority that uses the resources they have at their disposal to impose their will on the 'masses', which are not organised and incapable of collective action.

It must not be forgotten that these elitist theories as represented by its early proponents Mosca (1938) and Pareto (1935) came out in reaction to the Marxist class theory, because although they agree with Marxists that society is a two class society they diverge in the sense that they refute Marxists claims of an evolution towards a classless society. In summary, the elitists considered that the distribution of power is pyramidal and that power equalisation between classes, whether at a society or organisational level, can never be achieved. Dahrendorf, and to a certain extent, Clegg, rejected workers' participation in decision making in favour of collective bargaining in the name of this elitist theory (we will come back to this issue in the next Chapter). Pluralists' refutation of the elitist theories stem from the fact that they do not see power as concentrated in the hands of a small elite but rather as "diffuse" throughout society. Their argument is that "... it is possible for modern societies to achieve considerable power decentralisation through extensive pluralism without undergoing a radical Marxian revolution. And second, widespread pluralism in a society is an unnecessary prerequisite for democratic decision making and government. In short, social pluralism decentralises power throughout a



society and thus provides the social foundation required for effective political democracy" (Olsen, 1970).

Most pluralists follow Dahl's (1957) definition conceiving power as:

"... on its own something that a person A has over someone else B to the extent that he can get B to do something B would not otherwise do".

This definition places Dahl into a relational dimension. I will not extend into discussing the theoretical aspect of the pluralist's approach (for further details see Clegg, 1975; Lukes, 1977; Olsen, 1970). I will concentrate instead on the measurement method which gave rise to disagreements not only between elitists and pluralists, but also among the latter, although not at the same level. It is at this stage, as has been hinted at the start of this Chapter and also pointed out by Martin (1977), that "... The debate reveals clearly the difficulties involved in moving from conceptual exegesis to the constitution of empirical tests for theoretically relevant hypothesis".

What was labelled the reputational approach was introduced by Hunter (1953) in his now classic study of community power in Atlanta, by asking, in order to assess the distribution of power in the community, some respondents who they thought were the most influential

in their community. In other words the study was based, as its name indicates, on reputations. However, even though confirming in its findings that power is centralised as elitists, including Hunter always sustained, this method was justifiably criticised on the grounds that potential power is not necessarily exercised, although having the "reputation" of obtaining power may become a considerable source of power. Taking a different stance, pluralists, and in particular Dahl (1961), adopted a different approach in the study of community power, namely the decision making approach. In this approach pluralists researchers are uninterested in the reputedly powerful, their concerns instead are as reported by Bachrah and Baratz (1970).

1. To select for study a number of "key" as opposed to "routine" political decisions.
2. Identify the people who took an active part in the decision making process.
3. Obtain a full account of their actual behaviour while the policy conflict was being resolved.
4. Determine and analyse the specific outcome of the conflict.

In the same vein, Polsby (1953), reiterated the fact that "identifying who prevails in decision making seems to be the best way to determine which individual and

groups have "more" power in social life, because direct conflict between actors presents a situation most closely approximating an experimental test of their capacities to affect outcomes".

However, through the method adopted by Dahl in "who governs", it was found that power was pluralistically distributed in the community. His approach was again criticised on the grounds that power in decision making need not be confined to decisions liable to conflict. Therefore although this is certainly a more rigorous approach than Hunters, "there is no gain in saying that an analysis grounded entirely upon what is specific and visible to the outside observer is more scientific than one based upon pure speculation" (Baccarah and Baratz, 1970). It is the latter authors, who in reaction, developed what Lukes (1974) would identify as the two dimensional view of power, which includes the non-decisions into the framework because ultimate power is indeed when decisions subject to conflict are prevented from arising and therefore are confined to safer issues. There will be some illustrations in Chapters to come where it will be shown that some schemes of writers participation are in fact manipulative in the sense mentioned above. Lukes however criticised both approaches mentioned above by claiming that although the two dimensional view uncovers some shortcomings of the decision making approach it is still making the same mistake because "... The trouble seems to be that both Bachrach and Baratz and the pluralists suppose

that because power, as they conceptualise it, only shows up in cases of actual conflict, it follows that actual conflict is necessary to power. But this is to ignore the crucial point that the most effective and insidious use of power is to prevent such conflict from arising the first place". Therefore it is this insistence on overt or covert conflict to judge the distribution of power that Lukes rejects, for him, in what he named the three dimensional view of power, the supreme exercise of power is "to get another or others to get the desires you want them to have".

This analysis of the concept of power, although brief, should have highlighted the dangers of adopting a single approach to the study of participation. In this thesis I will adopt a pluralistic approach for the measurement of influence which will be exposed into more detail in the section on Methodology.

### PARTICIPATION

".. Participation is one of the most overworked words of the decade". (Strauss and Roseintein, 1970). Co-management, industrial democracy, workers' self-management, joint consultation, workers' committees, are just a few examples of terms that designate workers' representation, and have been adopted in one country or another in an effort, at least to improve the general climate within an organisation and ultimately, for a few, eradicate the division between labour and capital.

Nowadays we are very far from the authoritarian view of organisations as developed by the scientific school; on the contrary the demand for participation is present everywhere, and in many parts of the world in one form or another a model of workers' participation exists in the broadest sense of the term.

This drive towards an improvement of the quality of life and all related matters destined to take more care of the human side in organisations has not been always genuine. Because, depending on the objective sought, participation can take many forms ranging from genuinely formulated by the workers, or on the workers behalf, to being only a means of assisting managers in legitimising hierarchical authority relations.

Despite the many views on workers' participation, which will be examined in more detail later in this chapter, everybody agrees to a certain extent that workers want more involvement in all decisions that affect not only their current but also their future lives. This agreement is very important, considering that not many years ago supporters of the scientific school tacitly implied that workers are not able to understand the complex procedures existing in modern organisations, and are unable to organise their own work. And also that men should be guided by an intellectual elite performing the planning function. In other words, followers of the classical school indicated that authority is primordial if an organisation is to be successful and survive.

Human relation theorists repudiated most of the scientific school argument insisting that instead, people in the organisation were not just machines, indeed it is the morale of these people, individually or in groups, that could have important implications on productivity. Therefore, to maximise output, workers must not feel that they are being degraded by accomplishing boring and highly specialised tasks, on the contrary, the worker "... must feel a new sense of dignity and a sense of being appreciated" (Mayo, 1933). However, the most important contribution stems from Barnard (1938) a manager at the New Jersey Bell Telephone Company, who, commenting on the value of communication specified that:

"... only a small number of people in the organisation identify their personal objectives with the objective of the organisation; thus most people must be induced to contribute their individual co-operation... The common purpose is achieved by "Communication" which is the cement that connects members of the organisation and serves to transfer information and establish common purpose".

Also, his "acceptance" theory, stating that authority may not come down from the top of an organisation but should rise from the bottom of the hierarchy, led to a considerable step away from the scientific approach. Later on, behavioural scientists such as Argyris, Maslow and McGregor went further in their attempt to understand, predict and explain human behaviour. The human relation approach has been criticized on the grounds that it only considered relations between individuals, between groups, but not the socio-economic relations. Their theories have been branded as manipulative because basic power and property relations remain unchanged while 'cosmetic' measures concentrating on changing certain aspects of interpersonal relations have been introduced within the framework of hierarchical structures.

This brief introduction was necessary to remind the reader of the evolutionary process that has been, and still is taking place as far as workers involvement in decision making is concerned. Apart from the definitional problems, I will discuss in sections to come, a certain number of issues relating to, the nature of opposition to participation, the particular dilemmas of dual compliance meaning whether a participatory society

(whatever its degree) is able to reconcile economical with socio-cultural goals, contemplate whether genuine participation, more specifically workers management, is likely to succeed within a capitalist framework, and identify some of the impediments that workers' control may encounter when implemented in different societies. But first let us examine what is meant by participation.

### Participation - What does it mean?

As with the concept of power the term participation leads to a great deal of confusion. One can suspect that when social scientists from all quarters start to agree on the principle that participation in general is desirable and beneficial for industrial settings and society as a whole, one has the feeling that the concept is too general and loses precise meaning. However, once stricter definitions are applied to the concept of participation, this widespread support for the concept starts to crumble.

It is generally accepted that, everybody should participate as long as they are engaged in the activities of the organisation. However, what form should participation take? Could we for example consider that, consultation over a change in the routine of jobs performed by manual workers are participative procedures or could we say that an organisation, in which a manager responds more favourably to the needs of his



employees is participative? This is open to debate because by contrast to the above potential positions I would only consider as participative, measures that allow for a redistribution of power that will tend towards equalisation between hierarchical levels. Definitions that will follow will be an illustration of the debate that is taking place.

"The aim of workers participation is to achieve a greater commitment of all employees to the definition and attainment of the objectives of the enterprise and thereby create greater job satisfaction, it enlarges the scope of employees to be involved in those decisions most likely to affect their immediate job and the larger prosperity of the enterprise" (BIM, 1977).

For (Walker, 1974) the amount of participation depends upon its:

- Scope; meaning range of managerial functions in which workers take part.
- Degree; meaning how far workers influence managerial decisions.
- Extent; measured by the proportion of workers who take part on the one hand and by how much they participate on the other.

It is obvious that participation following the British Institute of Management definition could rank very low on all three scales cited above, it seems that the ultimate aim in the BIM's definition, is to elicit workers co-operation. It is known, at least in the short term, that satisfaction can be enhanced by such cosmetic measures as job enlargement whether vertical or horizontal, I stress short term cosmetic measure because it is only one dimension of human needs that has been satisfied. There is no doubt that job enlargement has succeeded in overcoming some of the disadvantages of the division of labour and hence its alienating effect as reported by Worthy (1950) at Sears and Roebuck and by Wild (1976) in the Saab motor car engine assembly in Sweden. However under the above conditions the worker is only involved into his immediate environment which under no circumstances undercuts traditional managerial rights to direct and control.

. As mentioned earlier the priority in setting objectives for an organisation is higher efficiency and thereby profits and the major concern of management is to avoid unrest among the workforce in order to achieve those priority objectives. Schemes such as management by objectives involving lower levels; although genuine responses to increasing evidence that, if a person has freedom in shaping the nature of his job he will be more willing to co-operate in the pursuit of those defined objectives, could certainly be considered as a

form of pseudo-participation aiming at also channelling workers grievances.

True workers' participation can only be "... viewed as the principal means of obtaining greater control by workers over several aspects of their working life and in so doing augmenting their power vis a vis that of management" (Poole, 1975). Indeed it is only through the increased power of lower level workers that an opportunity to achieve true workers' participation will arise. I emphasise the term 'opportunity' because workers achieve a certain amount of power, there are other variables, external and internal, that enter the equation and may hinder the development of full workers' participation (this development will be clearly shown in the section devoted to Yugoslavia). It is also agreed that "... The mere existence of participative procedures in an organisation is no guarantee that the procedures will, in fact, provide a means for workers to exercise control. Participative schemes in other words may not be effective in achieving real participation". (Tannenbaum et al, 1982). This assertion will certainly be put to the test in the Algerian case. However, there is evidence that the two models operating in Germany and France have certainly been totally ineffective in achieving real participation. For example, the reputable Biedenkopf commission found that contrary to workers expectations the labour director fully represented management interests in Germany. More surprisingly, the Thomson's study revealed that

only 50% of the workers involved in co-determination schemes knew about what it entailed. As for the issues in which workers have the right of co-decision, they happened to be derisory. As for the French model, the well publicised Sudreau report noted that, despite the governments 'good' intentions towards company reform legislations, these reforms have not been implemented. In fact even when implemented the 'comite d'entreprise' turned out to be only a facade. Behind the facade the government seeks to compromise with some of the most powerful unions which themselves are opposed to organisational democracy. (A more detailed discussion of the empirical evidence will be undertaken in the forthcoming chapter in the sections devoted to France and Germany).

Lammers (1974) used the term "functional concept of democratisation" to describe actions which concentrate on the benefits the organisation may get in terms of efficiency and industrial peace when increasing the influence of lower level members on any or all of a variety of decisions or policies. As opposed to the structural concept of democratisation which is considered to be an ideological necessity at societal level. Likewise Pateman (1970) differentiates between two types of participation. 'Pseudo-participation', where there is only an exchange of information and a minimum of influence from workers; considering that it might be little more than sophisticated schemes of management manipulation. And 'Full participation' where

each individual member of a decision making body has equal power to determine the outcome of decisions.

It is my belief, shared by many other scholars (Pateman 1970; Blumberg, 1968; Vanek, 1975) that participation at all levels is a fundamental condition for any democratic system to be successful. More specifically authority structures as they presently exist should be reorganised so as to give more opportunities for participation and thereby greater opportunity for members to exercise greater control over their own lives and environment.

It has already been stated in the preceeding chapter that participation is a manifestation of power, in other words participation is more likely to be the outcome of, rather than the reason for changes in the power structure of the organisation and also examined the many forms it could take.

Poole (1975) touched upon this issue when saying that "advocates of workers' participation in decision making have usually had in mind a concept of power based on two of its principal manifestations namely, the formal pattern of control within organisations; and the scope and range of issues over which particular parties have some influence". It has also been suggested that efforts towards democratisation are not necessarily followed by a decrease in power differentials. Indeed, in those circumstances, an increase in power by lower

levels may be outweighed by a similar increase in power by higher levels in the hierarchy (Tannenbaum, 1968; Likert, 1961) resulting in an increase in the total amount of control in the organisation (Lammers, 1967; Strauss and Rosentein, 1970; Mulder, 1971; Kavic and Tannenbaum, 1981).

A great number of publications, mostly by practitioners in the United States, attempted to reassure managers that they have nothing to fear from participative schemes and that their managerial power would remain untouched. In the same vein Mulder (1971) hypothesised that "... When there are large differences in expert power, the introduction of greater participation provides the more powerful with an opportunity to exercise their influence over the less powerful, and thereby makes their greater power a reality". This assertion was backed up by research undertaken in Germany, and to a lesser extent in Yugoslavia. (See next chapter for further details).

Participatory models have to be set properly, in the sense that human and not economic values be paramount. Also, we cannot have half measures, such as the ones we referred to above, by giving employees a say, only in social matters. The repercussions of these policies in Countries like France and Germany will be seen. Furthermore, it is not up to managers to be 'sympathetic' to workers through what some people would call 'democratic' as opposed to 'authoritarian' styles of

leadership. What is needed, if such experiences are not to be considered 'manipulative' is a complete change in the structures of work, and for people at higher levels to develop an understanding of the problems faced by workers at lower levels, and take account of their possible desire for a more equalitarian distribution of power. Obviously no one denies that societal traditions have a great influence on such behaviour. The problem is to find a way of breaking out of these traditions and transcending in particular, the system of class relations. It is true however, that although societal characteristics seem to have a strong influence on the participation potential, "certain conditions and events representing other contextual factors may change the process by which society influences participatory systems and the strength of that influence". (Dachler and Wilpert, 1978).

As discussed above, all the schemes of 'formal' workers' participation in existence in Western Countries, as well as in a few Eastern European Countries seem to have failed to bring 'true' democracy within the workplace and to a certain extent on a macro-level. This view is shared by (Derber, 1970; Strauss and Rosentein, 1970; Dunn, 1972). There is, however, a view which has grown in strength, that true participation could only be installed through 'self management'. Writers who defend this view of workers' self management, argue that up to now there exists nowhere a truly self-managed society, that is a society not primarily

geared towards economic rather than socialist goals. On the contrary, a genuine self-managed society will give higher priority to socio-cultural goals, and would not separate the workers from the means of production. Also, there would be a greater co-operation among organisations as opposed to the great separation that exists among these organisations at present. Recent events in Yugoslavia show that some capitalist characteristics still exist (see chapter 3). Finally the distribution of power in the self-managed society would, by definition, tend towards equalisation, once the changes in the power structure had been initiated.

#### Is Self Management the only way forward?

What differentiates common participation from self-management is that under the latter there is claimed to be a real opportunity for workers and management to work together towards a more creative, emancipated, human and also efficient organisation under a system of social ownership. And unlike its counterpart, operating under capitalistic conditions, everyone benefits, not solely the owners of capital. (We will come back to this important notion of ownership later in this Chapter).

For Lammers (1974) the very term 'participation' apparently refers to something - some activity, process or system of decision making in which designated participants can 'take part' but which they cannot, will not



or should not 'take over as a whole'. Self management to the contrary denotes a 'something' which is, can be or ought to be wholly under the participants themselves.

I will propose below two definitions which I believe complete each other and perfectly reflect my understanding of self-management. The first one (which will be reproduced entirely) stems from the International Labour Office (ILO) and defines the features of self-management in industrial settings. Whereas the second statement specifies what such structural changes would imply on a macro level.

"Conceptually, systems based on self-management undoubtedly represent the most far reaching attempts at direct involvement of the workers in decision making and management responsibilities ... The main features common to these systems are usually the following:

- They are based on general legislation, applicable to undertakings in the public sector in which management - but not ownership rights - have been transferred to the workers.
- The competence of self-management bodies extends to all decisions taken in the undertaking, although special roles as to procedures and supervision may be laid by legislation to avoid arbitrary action and to ensure the observance of certain standards.
- Self-management bodies have the right to dispose partly or wholly of the profits or net income of the undertaking reinvesting certain sums, allocating others for social or cultural activities or distributing sums directly in the shape of bonuses". (ILO, 1981).

At a societal level '... the theory of self-management implies a post industrial ideology. It implies an

ideology for a learning society and for a society that has to face constant change. It is a philosophy that is not dualistic, that overcomes the dichotomy between individuals and society, a philosophy in which self-fulfilment and social self-fulfilment tend to coincide'. (Borgese, 1975).

The theory of self-management is not an innovation, it is in fact as old as the history of the labour movement. It was originally grounded in socialist ideology for more than a century and has been defended in one form or another by marxists and their numerous theoreticians, guild socialists and earlier by figureheads such as Proudhon, Bakounine and Rousseau. The main thrust of the self-management theory is that there must be an abolition of private ownership and all the obstacles that are in the way of uniting the producer and the product of his work, whether it be private ownership of capital in capitalist societies or state bureaucracy in socialist societies. History can recall a string of events that were all spontaneous attempts by the proletariat to change the then existing balance of power in order to instaure direct democracy at all levels and hence allow them to take care of their own destiny. We can mention for that purpose the events leading to the establishment of the Paris Commune in 1871, the success of the Bolshevik revolution in 1917, and the influence of the idea of the Soviets which later led to the emergence of workers' councils in Western Europe, more specifically , Germany in 1919

and Italy in 1920, when workers occupied their factories in Turin. More recently some Eastern Countries have been in turmoil, and the Hungarian uprising of 1956 leading to the installation of workers' councils in October of the same year remains a vivid example.

Nowadays self-management in its 'modern' sense is more associated with the Yugoslav experience which is analysed in a forthcoming section, and to a certain extent, to the Algerian case.

Before examining what are the problems specific to self-management let us consider what is the state of opposition to participation and thus direct democracy in general.

#### Opposition to Participation

'The practice of industrial democracy has generally failed to match expectations - works' councils and joint consultative committees provide few opportunities for workers' power. Workers' representation at board level in companies has generally had little effect on anything". (Batstone, 1976).

This assessment of failure led him to conclude that it was impossible to reach a complete democratic form of organisation. It must be noted that even though Batstone is joining the ranks of the detractors of workers' participation, he nonetheless believes that in

order to achieve industrial democracy it is necessary, first of all, to remove a few existing obstacles, such as hierarchical control, leadership style and aspects of management control.

The most important criticism of workers' participation comes from the well publicised work of Clegg (1950 and 1972) and prior to that from the Webbs who argued against the co-operative movement by supporting a collective bargaining view of industrial democracy. This form of industrial democracy is widespread amongst a number of Western and under-developed countries which see the role of unions devoted to collective bargaining.

Clegg for example, holds the view that because opposition is inherent in political democracy it follows that such opposition should exist also in industrial democracy. The role of the opposition will normally be played by trade unions who will act as a counter power to management and ownership. He stresses the necessity, for the independence of trade unions, in fact for this reason he is opposed to any participation of workers in the management function; because by taking responsibility for management the unions would be unable to protect their workers interests.

For Clegg, industrial democracy is based on three principles:

1. Unions must be independent of both state and management.
2. Only trade unions can represent the interests of industrial workers.
3. The ownership of industry is irrelevant to good industrial relations.

Supporters of the model of a 'single channel' of representation were most heartened by the apparent failures schemes of workers' participation have encountered in many parts of the world. Their opposition to such schemes was hardened, and they felt justified in pressing their views.

Among these I will reproduce an extensive passage from Hughes, who was voicing the view of the British Labour Party who also argues for the development of a strong trade union; and interestingly summarises some of the reasons for this pro trade union stand, although the actual position of the Labour Party has altered:

"The basis for any extension of industrial democracy in Britain can only be that of the organised workers, that of representation and accountability through the trade unions - we argue very strongly indeed, the need for a single channel representation, because there is no other way, not only of securing that particular workers are representative and are accountable, but there is no other way also of linking plant level problems with regional, industrial and national problems and the

pressures that may need to be exerted to deal with them. So that what we are saying very firmly indeed, that we start out on the basis of the need to strengthen the position of organised workers and we do not want to see the development of forms of so called participation and industrial democracy which are to bypass or artificially separate this from the organised workers and their trade union organisation". (Hughes, 1957).

Let us come back to Clegg's position. First and foremost claims of transposing political practices to industrial ones is not practical because in political structures there are provisions for changes. For example 'shadow governments' have the opportunity and are able to take the seats of power. By contrast in industrial settings, it is inconceivable and there is no opportunity for trade unions to take over from management. Therefore, the only outcome if Clegg's argument is followed, will be in workers trade unions carrying on their fight in opposing management even if the conditions exist for them to take control. Indeed "it would be a most curious kind of 'democratic' theorist who would argue for a government permanently in office and completely irreplaceable". Moreover, another aspect that has been criticised is that the dogmatic insistence on trade union exclusiveness in the plant overlooks the important unifying functions which non-union committees have played where the union movement is seriously divided (Blumberg 1968).

On another level, Dahrendorf, following in Weber's footsteps (see preceeding chapter) sees irreconcilable differences between holders of power and those who are

subject to it, and with his zero sum view of power, considers conflict as a necessity in a 'healthy' society. In a sense he is inclined to Clegg's position, but for different reasons. He approves of collective bargaining for the reason that it has a regulating function which smoothes industrial conflict and is for him, certainly far more preferable to the participation of the workforce in the enterprise. Such participation is what he describes as a form of 'perverted' conflict regulation which will "... increase rather than diminish both the violence and the intensity of conflict by simultaneously opening and blocking one of its channels of expressions". (Dahrendorf, 1959) in another more sweeping statement, taking account of the German case, stated that "The shop councillor, as an incumbent of domination, becomes part of the ruling class of industry, deprives labour of one of its channels of expression, and provides the cause for new conflicts of the class type within the enterprise and industry as a whole". It seems that Dahrendorf has been very severe in his assessment and this position obviously stems from his earlier hypotheses. One must agree that the German system which he referred to, is open to criticism; however, his conclusions are not applicable in the cases of other countries, where, even if the ideas of 'true' participation have not been totally achieved what he predicted will be "tendencies towards revolutionary explosion and civil war" as a result of participation, have not been encountered. On the contrary, what I think has been

clearly identified, at least in the three countries analysed in the next chapter, is that what Dahrendorf would characterise as 'extreme' schemes of industrial democracy, were usually set-up after or in the midst of economic and political chaos, in short, where the survival of society was in peril.

#### A debate on self-management

There is ample evidence from past experience, whether in capitalist or socialist countries, that proposals for self-management tend to emerge during periods of deep crisis, often culminating in the labour force taking full control of the means of production if sometimes only for a brief period. In this case, they would for example elect workers' councils, which take over the 'management' of the newly formed concern. This, for example, happened in France in 1958, and in Italy where workers took over the Turin factories and Algeria in 1962. All these examples were direct and spontaneous attempts against the domination and exploitation of labour by capital or by the state.

These spontaneous episodes of workers' control often happen at a point where the power structure, and particularly the state, is temporarily weakened. This is more evident in countries where a 'revolutionary' government takes over from a colonial government (as will be seen in the case of Yugoslavia and Algeria), and also in capitalist countries after a war (Germany)



or when the political system has totally collapsed (France). Subsequently a similar pattern of events seems to occur in all the countries mentioned above, that is, the new forces in power will quickly react and seek to control such spontaneous take overs by workers and will 'guide' or even control them, while at the same time claiming to have introduced and regularised workers' control. The state, thus, institutionalises that particular surge towards more organisational democracy, and confines it within 'stocks' of complex bureaucratic rules and procedures regulating every aspect of organisational life. It is expected that the above mentioned development, at least in under developed countries, where competence and know how is very scarce, will exacerbate the great difficulties which the working community is already encountering in getting to grips with basic management issues.

Also, the environment, whether national or international, generally comprised of highly capitalistic organisations, tends to be inimical to the healthy development of workers' control. Some specific evidence will be given in the next chapter, more particularly in Yugoslavia, where there are signs of introduction of a market economy.

Furthermore, it is expected that self-management, socialist management, workers' management or whatever term is used to name any scheme seeking to abolish the traditional organisational forms found in the capital-

ist organisations, separating the producers from the conditions and results of their work, would not be able to operate fully within a capitalist economy. This is because:

"Self-management to be successful needs a co-operation among many firms; it needs economic planning specific to and organically related to self-management and it needs also some form of national ownership over capital formation. Without the latter structural problems, distributional problems and deficiencies of the rate of capital accumulation will be inevitable". (Vanek, 1979).

It is also true that experiences failed in some Eastern European countries because of state ownership being translated into excessive planning which in turn interfered with every aspect of organisational life. This resulted in workers being transferred to a relation, state accumulation workers' wage as opposed to the previous capitalist profit workers' wage; workers' control, as will be shown in later chapters, is incompatible with state ownership.

The lessons from events that occurred in Czechoslovakia, Poland, Hungary and many other countries pursuing some orthodox socialist ideologies, may enhance the demands of those (including myself) asking for social ownership as a pre-condition for workers' control. Finally, some writers tend to support the argument for self-management on the grounds of efficiency and economic viability: however at the same time, the socialist principles that it entails have been totally omitted. In other words, as mentioned earlier in this chapter,

it is the problem of 'dual compliance' that faces any genuine participative scheme, more specifically compliance between economic and socio-cultural goals. As will be shown, this is because:

"Systems of workers' management which have enjoyed comparatively favourable conditions for the realisation of socio-cultural goals in industrial settings ... have suffered from a comparative lack of recognition of conflict and tensions that accompany efforts to pursue economic aims while concurrently, and within essentially unmodified settings, they seek to achieve socio cultural goals and values". (Etzioni, 1961)

It is my belief that social utility should be the prime objective and this goal can only be achieved through collective ownership of the means of production, which is the only alternative through which it will be possible to match societal with organisational interests.

As far as unions are concerned, I believe that they are a necessary component in the organisation whatever the degree of democratisation achieved. But contrary to supporters of a single channel of representation, which views have been assessed in an earlier section, I also believe that workers' participatory bodies are more likely to take into account their specific needs. In fact, I do not actually see what is the dilemma of having two sets of representatives, because by definition, the role of the unions is to defend their members

interests as wage earners, but as producers, this defence can only be assumed by themselves considering that unions generally have a national stature.

The role of the unions will also be to increase the level of consciousness of labour at organisational level towards more participation; we must not ignore that the extent to which employees want to participate is seldom clear, even though there is evidence that little or no interest exists among employees (Rus, 1970; Pateman 1970; Derber, 1970). The task of the unions could be assimilated to the role of the party on a broader political level. Furthermore, the most important role unions could assume, and this is certainly much more important in the context of under developed countries such as Algeria, is the education of the workforce and the enhancement of their expertise. Because as will be shown, it is expected that there will be a tendency for influence and expertise to merge in the managerial function.

As considered above, workers' control, suffers from structural and contextual problems that emerge during its development. These problems are the most common and indeed fundamental problems that I expect will appear in any system of workers' control. It is obvious that these problems will tend to have different levels of impact in different societies, this, after all is the chief characteristic of all dynamic systems. However, one cannot pretend that solving these problems

will guarantee 'true' workers' control, which most probably will be the only way forward. Indeed as will be shown, whether in Germany, France, Yugoslavia or Algeria, the system is not wholly under the control of the participants whether due to the design or the outcomes of what I consider as the introduction of piece-meal participatory procedures.

WORKERS' PARTICIPATION IN THREE COUNTRIES -  
APPRAISAL AND CRITIQUE

Any system of participation whether in capitalist or socialist countries cannot be neglected and any researcher would be wrong in doing so because countries considering introducing or progressing toward industrial democracy, as in Algeria, must consider the experience of others in order to avoid some disillusion. As mentioned before, the study of three countries (Germany, France and Yugoslavia) will allow us to see how various circumstances leading to the installation of workers' participation generate different approaches. Indeed specific circumstances of national systems (history, traditions and values) generate different interpretation and applicability of participation schemes, however, it is expected that some aspects of workers' participation (irrespective of national conditions) tend to reproduce themselves. Furthermore, by selecting two capitalist countries I intended to show, as mentioned in the preceeding chapter, that the ideal of 'true' workers' participation or self-management is unlikely to succeed under a capitalist economic order. Also, even within the framework of a socialist economic order the way to self-management is obstructed by a great number of difficulties as will be shown in Yugoslavia. Of course interesting experiences of workers' participation are

not confined to these three countries, however a more systematic approach considering models at different levels of the spectrum of participation is thought to be more appropriate in the context of this thesis.

Yugoslavia has been chosen for it is a pioneer on workers' participation with its original self-management model which inspired a great number of under-developed countries not to mention Algeria in the pre-1971 period. The second country chosen is West Germany with its co-determination model which is having a strong influence on the EEC's efforts to work out a common statute for European companies. Finally, France will be mentioned, not only because of its past influence on Algeria as an ex-colony but also because it is interesting on two other accounts; the specific role unions have played when the 'comites d'entreprises' were introduced and as mentioned in the introduction, because it, among other things, influenced to a very large extent the Algerian legislative framework and also because of the LIP experience. Indeed this particular organisation, when threatened by closure, did not transform into a co-operative, but instead adopted self-management principles.

However, the most important aim of this chapter is to, when put into perspective with the Algerian experience, help us identify catalytic or inhibiting factors to the healthy development of workers' management.

Therefore in the following two sections we will assess whether workers' management can or cannot operate within a capitalist framework, i.e. Germany and France and in the last section assess how far Yugoslavia has succeeded/or not in implementing its much publicised self-management model.



## The German Co-determination Model

One of the largest scheme of workers' participation in operation in Western Europe is the German co-determination model or 'Mitbestimmung'. This concept has traditionally been the term relating to the German conceptual variant of industrial democracy. In general "it refers to the institutional facilitation of equal contribution by employers and employees to the solution of problems existing within the enterprise" (Wilpert, 1972).

The first piece of legislation concerning participation of workers in the running of their enterprise could be traced as far back as 1891 when "a law was introduced requiring employers to consult with workers concerning hours of work, time and form of payment, and terms of notice to quit. The law also provided for the voluntary creation of workers committees". (Adams and Rummel, 1977).

However, the major breakthrough for workers in the decision making structure of the enterprise came after the establishment of the Weimar republic with the 1920 Works Council Act, which established workers as a force to be considered in wage and work agreements.

In 1922 workers rights were again extended when they were granted the right to elect one third of the members of the supervisory council. This is the most

important piece of legislation concerning workers progress towards the achievement of their aspirations in that, having full parity with management. Although this 1922 Act was a very important step practically it did not achieve a great deal as is explained by Ponthoff cited in Adams and Rummel (1977), "legislated provisions calling for works council co-operation with management went largely unheeded and workers fearing for their jobs, resisted management initiatives to implement new technology and works methods usually without success". Also, although works councils were compulsory there was no penalty attached for not doing so, other than the loss of any privileges that they would have enjoyed under the Act.

The appearance of the Third Reich in 1933 and the Nazi era that succeeded created a socio-political void characterised by an interruption of the co-determination movement by dissolving works councils as well as unions and by repealing most of the acts that provided workers a beginning of power.

We have seen that Germany had established a long tradition in implementing laws relating to labour relations rather than by collective bargaining.

The period immediately after World War II was characterised by what best be called, national consensus, in an effort to rebuild the country, which was in a state of complete devastation. "This concern carries over

into a common interest in safeguarding the jointly created and shared system of social institution". (European Industrial Relations, 1981).

In 1947 the workers and trade unions were in a better position than they had ever been, and this strengthens our belief that workers participation independently drives of the system it is operating in, and that conditions for its development are more favourable after a period of deep crisis. On the other hand employers in this immediate post-war period lost most of their powers, one reason being that they were accused of having helped to build the nazi regime in order to destroy whatever gains workers had built over the years. As far as the unions are concerned their position is quite unique in West Germany and we will discuss in a later section more extensively the dichotomous function of this body.

In 1947 the British occupying authorities took the important step of according parity representation to workers representatives in the supervisory board within the iron and steel industry. This was part of an effort to dismantle the large concentrated industries. Some commentators strongly believed that the introduction of this 50% parity scheme, that was to be later called the 'Montan Act', was in fact a political move that intended to hamper any future progress of the very competitive German industry.

## The 1951 Co-Determination Act (Montan Act)

This legislation extended the parity representation introduced by the British authorities, even though the CDU (Christian Democrats) attempted at first to block this move. However, the threat of a massive strike by miners and steel workers prevented them doing so.

This law applies only to companies in the mining and steel industries with over 1,000 employees which meant that "... It applied to 71 mining companies and 34 steel producing companies when it was originally legalised by the German authorities in 1951. But many mergers between 1952 and 1968 reduced the number of companies subject to co-determination law to only 31 companies in mining and 28 in steel" (Rummel and Adams, 1977). However, now the number has steeply gone down and consists of about 36 companies employing nearly 500,000 employees. This law provided for the establishment of a:

### \* Supervisory Board (Aufsichtrat)

Consisting of 11, 15 or 21 members depending on the size of the concern in terms of capital:

- 11 members if firm's nominal capital to 20 million DM
- 15     "     "     "     "     "     to 20 million DM
- 21     "     "     "     "     "     to 50 million DM

A typical 11 members supervisory board will consist of four members appointed by both shareholders and employees complemented by one additional member for each side. The law stipulates that these additional members should neither be union members nor members of the employers association (BDA or BDI) and also, may not be employed by the company. It must be pointed out that the works councils only have two representatives among the five members and even one of them is white collar, (this situation raises doubts on the real power of the works councils); the other two are nominated by the union. And finally, the chairman of the supervisory board, who is a 'neutral' member elected by a majority vote, however, in case of blockage in deliberation, the shareholders decide in the last resort.

The board has three major functions:

- Distribution of dividends to shareholders.
- Decides on the merits of the major corporate plan submitted by the managing board.
- Elects the managing board of the company.

\* The Managing Board (Vorstand)

Whereas the supervisory board function is to control the decisions taken by the managing board the latter is more preoccupied with day-to-day management. On the managing board labour is represented by the labour director (Arbeit Director) who together with technical

and commercial directors decides upon all top management problems. All three are appointed and dismissed by the supervisory board. The position of the labour director is however very equivocal because although representing workers he is bound by the law to administer the company with "the care of an orderly and conscientious business manager".

It must be pointed out that this 1951 co-determination law was amended in 1956 to avoid a loophole concerning holdings which could change to a partnership and thus avoid the parity representation. Also the appointment of the labour director did not require any more the agreement of the majority of the workers' representatives.

#### \* Works Councils (Betriebsrat)

The creation of works councils as we saw above goes back to the 19th century and is composed of non-managerial employees. Its prerogatives have been altered first by the Works Constitution Act of 1952 and later by the 1972 act. It has no ties with trade unions and is completely independent. We shall see how the trade unions more in line with collective agreements reconcile themselves with the need of allowing works councils total freedom on the shop floor. Union membership is not a necessity to become a councillor although "... In practice the great majority of works councillors are union members" (Szakats, 1974). The

works' council is elected for three years by secret ballot in all organisations that have five or more employees. The size of the council could vary from three members (when between 21 and 50 employees) to a maximum of 31 members (when between 7,001 and 9,000 members). In February 1980, for example, IBM Deutschland had 47 councils with 403 members representing its 26,000 German employees in the company's four main plants, headquarters, laboratories and numerous field locations. Of these 403 representatives, each of which is elected for a three year term, 47 were full time members, that is were paid by IBM to do nothing but works' council work. (Toscano, 1981).

The prerogatives of the works councils concern a wide range of issues and accordingly have either co-determination, consultation or right to information. For example, co-determination for working hours, wage scales and piece rates; however the 1972 act extended these rights to training, hiring and firing of employees. Also a special committee with at least nine members elected by the works council received the right to have information on the economic conditions, investment programmes, reduction or proposed closedowns of the company.

However, works councils rights were a little restricted even though their participation increased from 1952 where they were only dealing with social matters. Of course on the whole the 1972 act was a step forward but

when there is a closer look at their rights one can be very sceptical and wonders if we have met a typical case of 'Pseudo-Participation'. It has already been noticed that on most matters, apart from a few exceptions on personnel issues, managers decide in case of conflict. There is however arbitration for deadlock situations, this arbitration committee consists of an equal number of employers and workers' representatives and is chaired by an independent acceptable to both sides.

#### The 1952 Works Constitution Act

The Montan Act is generally singled out as a special piece of legislation, one year later the 'Works Constitution Act' was implemented and could be considered as a real setback in comparison to what the labour movement had achieved one year before.

This act concerns all limited companies which employ more than 500 workers and does not apply to the iron and steel industries. This act differs from the 1951 Act in the sense that only one third of the members of the supervisory board are elected representatives of the workers. The main difference is that the unions are not allowed to participate in the council. It was a serious setback for the unions in particular but they managed to reverse this trend with the next 1976 Act; there is also no labour director.



The British Chamber of Commerce pointed out that the British equivalent to the German two third board is present in the clearing banks, which generally separate day-to-day management teams headed by the general manager from the broad policy making board.

"In practice the representation of employees is reduced to a mere right to be heard. As the majority formed by the shareholders almost always vote unanimously there is no chance whatsoever to carry through staff interest in the supervisory board" (Daubler, 1975).

This act could be considered as a major victory for the conservative forces and may suggest the real intentions of the different legislations was to curb workers and unions powers wherever possible.

#### The 1976 Co-Determination Act

This new act brings back the parity representation to enterprises with over 2,000 workers (approximately 600-650 companies). This new legislation is mostly due to the militancy of the unions and the recommendations of the Biedenkopf report. It excludes all the Montan industries and reforms the 1952 and 1956 amendment.

This act, which took effect in July 1978, provides for the election of a supervisory board. A typical supervisory council of 12 members will consist of six representatives of the shareholders, which are elected

by the shareholders' meeting, and six representatives of the employees, consisting of two union members and one senior staff (see table below).

<u>Number Employed</u>	<u>2-10,000</u>	<u>10-20,000</u>	<u>over 20,000</u>
Shareholders Representatives	6	8	10
White Collar & Blue Collar Employees	3	5	6
Trade Unions	2	2	3
Senior Staff	1	1	1
	<hr/>	<hr/>	<hr/>
TOTAL	12	16	20
	<hr/>	<hr/>	<hr/>

We may notice that there is no provision for the election of a neutral member. The supervisory board in turn elects the managing board (Vorstand) the chairman is elected by a two third majority. If the majority is not achieved (this situation being very rare considering this kind of parity) the shareholders elect the chairman and the employees the deputy chairman. It is very interesting to note that in case of voting deadlock the chairman may cast two votes and that the employees' representatives have no veto power.

As far as the labour director is concerned the new law has changed the election procedures and now he is appointed by the majority of the supervisory board.

The particular position of the German unions in  
West Germany

The German system of industrial relations has the particularity of striking a balance concerning the protection of workers' interests between collective bargaining on a national level and co-determination on a plant or corporation level.

Approximately 40% of the workforce belongs to trade unions which are unitary in the sense that they include all occupations on an industrial basis. 80% of trade unionists belong to the DGB (German Confederation of Unions) which represents 16 individual trade unions comprising the most influential and militant, I G Metall (metal industries trade union). The number of members increased in DGB from 5.5 million in 1950 to 7.4 million in 1974. However the share of DGB in relation to the working population is declining. There are three other unions:

- DAG : German union of white collar employees
- CGB : Christian federation of unions
- DBB : German union of civil servants.

On the opposite side, employers associations are mostly represented by the BDA (Federation of German Employers).

The German unions do not have a reputation of great militancy, on the contrary "... German unions have co-operated with government's efforts to maintain price stability, encourage investment and moderate the growth of co-determination". (Rummel & Adams, 1977). The low, if non-existent, amount of strikes in the German industry is a further evidence of this situation. One would hardly find in Europe (and surely not in Britain) a system which would accept without resistance such drastic shedding of the workforce as Germany has known. For example the coal industry's labour force was reduced from 620,000 employees to 220,000 between 1951 and 1961.

However, many reasons could explain this behaviour and the most important is that up until 1978 the German economy enjoyed a high rate of growth with low inflation and unemployment rate apart from the 1966-1967 recession. In these conditions of expansion a certain number of commentators agreed that it was difficult to bring the rank and file to be interested in militancy. On the other hand Streek (1981) predicted that qualitative demands would be more important in the eighties as subjects of joint regulation than they were in the past and one factor contributing to it could be reduced economic growth. Since trade unions in a low growth economy have not much to offer to their members in terms of quantitative wage increases, they may have to turn to other qualitative subjects. A typical example is when trade unions called for a reduction of the

working week from 40 to 35 hours, the BDA answered with a lockout. The strike lasted for six weeks with the unions losing on the main issue although gaining on several other qualitative matters such as pensions and working conditions.

The other particularity of the system is that by the fact that legislation does not allow works councils to engage in wage bargaining they are dependent on the unions to settle their claims. But as the agreements are struck nationally there are always disparities between companies having different resources. For example, disputes are more frequent in companies that are prosperous and the local works councils may feel that the unions settlements have been far lower than what their particular company can afford and so feel aggrieved. That is the reason why the introduction of the concept of open clauses (Offnungs Klauseln) has been demanded. In other words a second round of wage demands could be undertaken to take more into account the disparities between the different companies. However, though forbidden, these procedures are taking place unofficially (this shows the high degree of flexibility of the German model). "To make employers negotiate with them over pay, works councils link up their wage demands with matters under co-determination". (Streek, 1981).

A more constructive aspect of the work of the unions is the emphasis on training in order to increase the quality of labour.

## Assessment of the practice of co-determination

Co-determination has been defended as being the 'democratic legitimisation' of power. Has it lived up to its expectations? The first impression is that this legislation has definitely not brought true industrial democracy but on the contrary has hindered the progress of 'true' workers' participation. The German case is the perfect example of how capitalistic ideology has 'channelled' the aspirations of the working class by highlighting the value of consensus. In fact, as will be shown, the pragmatism of the German model is visible in every facet and has functioned very well. Every piece of legislation that was passed had, for first priority, to avoid conflict and achieve greater productivity.

The reasons which allow us to make these assertions are that co-determination was introduced by law from the top of the hierarchy and it seems that every effort has been made from management, employers associations and the CDU to hinder the proper development of participation. In fact legislation bringing parity representation was only enforced when 96% of the steel workers and 92% of the mine workers decided to engage in an unlimited strike.

First of all the most important piece of legislation is the law that specifies that every member of the supervisory board or managing board is to behave in the best

interests of the enterprise by maintaining the care of orderly and conscientious business managers, which could only mean, under these highly capitalistic conditions, the generations of adequate profits. This statement in itself is contradictory to the concept of true industrial democracy because there is no other way but through the exploitation of the working class that this objective could be achieved.

It is clear that on the supervisory board the supposed parity is far from being equal when one examines it more closely. In terms of representatives this could hardly be the case because on the employees' side there is a highly salaried white collar, who even with the best intentions would surely represent management view. The other factor concerning the neutral member, whom we have discussed earlier, is the cumbersome election procedure which appears not to be so neutral considering that this complicated procedure of election in the last resort gives shareholders the power of decision in choosing him. Also on another scale the chairman of the board is usually a shareholder as Rummel and Adams (1977) pointed out "... Supervisory board agenda is, for example, sometimes determined by the chairman and in most coal and steel firms the chairman is a shareholder".

The other sensitive area concerns the flow of information at this level where we can observe a double limitation. The first one is the ability of the

shareholders to filtrate the kind of information to be passed to the supervisory board and the second limitation concerns the corporate law requirement stating that supervisory board deliberations are confidential, thus the only leverage the workers could have used is to be contained behind closed doors. This situation must and does have an effect on the relation between councillors and rank and file. Hartman (1976) referred to a number of empirical studies which have shown that the problems of growing alientation between representatives and their constituents is as much a liability to co-determination as it is to other representative systems.

One other problem of the German system is that in a lot of cases the level of expertise of employees' representatives do not match the management side (the same was found in the Yugoslav model and it is expected in Algeria). The Biedenkopf Commission found that there has been a tendency for workers to leave the final say on financial and technical matters to management while giving workers' representatives more freedom of action on welfare matters.

A series of surveys seem to confirm what has been stated above in the sense that it has highlighted the integrationist character of the German system. For example, Pirker et al cited in Adams and Rummel (1977) showed that while workers had high expectations of benefit from co-determination, only a small percentage



felt that they had personally benefitted from co-determination during its first years of operation. Another survey carried out by Thomssen showed that just about half of the 'co-determining' workers knew about the existence of co-determination. More specifically, "Experience in the coal and steel industries shows that some managers appointed to the executive committee from a trade union slate (labour directors) have become members of the industry's employers association and participate in bargaining on the employers' side". (Hartman, 1975). However, even though they participate in the bargaining procedures "These workers chosen officials rarely play a significant role in the bargaining policy of the employers association" (Kerr, 1954). Finally, the Biedenkopf Commission, a special body formed to study the effects of co-determination in the Montan industries, was more impressed with the pacifying effects which co-determination had on organised labour than by the sense of participation it delegated to individual employees.

In summary, if the original aim of co-determination was to avoid conflict and increase productivity while preserving employers interests it can be said to have succeeded admirably. Moreover this study highlighted the problems associated with developing a participatory model under a market economy where relations between labour and capital are more exacerbated. It is important to note that problems associated with expertise do not disappear even in this fairly developed country

where unions, at least in this area, performed a good job in educating the workforce. Above all, I do not believe that anywhere can we find a better example of the increasing professionalisation of representatives and a reorientation of their fidelity towards management objectives as has been the case for the Labour Director.

France is no exception to attempts at introducing workers' participation in Western Europe. However, despite a long history of workers' militancy it can be noticed that progress towards industrial democracy has been almost at a standstill compared to other countries. It is often rightly stated that France's legal system has worked perfectly in institutionalising any attempts made by workers to press for their demands; the laws in themselves are very detailed and often confusing (examples will be shown in this section). This slow progress is also due to the fact that leading unions have refused to co-operate, believing that, the industrial relations system cannot change without a change of society. Both major unions have always stated that their role is one of control in a capitalist society, and a system of co-decision, by integrating workers in the system would result in their manipulation. For them, workers' control is only possible in a socialist context, to that effect Seguy, General Secretary of the CGT, unambiguously declared during a speech on the 27th August 1971 that "... as far as the direction and management of the economy is exercised under the domination of capital, the concept of workers' participation will remain elusive". However, unions differ on the way to achieve true industrial democracy, for, the CGT (Confédération Générale du Travail) and its communist allies believe that it is through 'gestion démocratique', literally democratic

management by means of reinforced trade union activity at plant level. But for CFDT (Confédération Française Démocratique du Travail) it is through 'autogestion' or self-management.

The May 1968 events, considered as a small revolution, led to a radical transformation which culminated with the 'accord de grenelle' regulating trade union representation in the enterprises giving some kind of satisfaction to students and workers grievances.

The strikes were a direct challenge not only to the liberal/conservative coalition but also to the unions who saw their powers being eroded and therefore had no choice but join the movement in an effort of recuperation.

The most interesting facet of the French case is that it is the first time that a leading union and their socialist counterparts have taken a clear and committed stand towards the implementation of autogestion (self-management) in Western Europe. It can be stated fairly confidently that if the left, firstly the socialist party and thereafter the communist party, included self-management proposals in their manifesto after such a long time, it is because they felt (being closer to the base) that they were reflecting demands by workers for self-management ideals.

The first part of this section has been devoted to the understanding of the French industrial relation systems and in a latter part I examined what is meant by self-management in the French context. I will mention the LIP affair where the principles of self-management operated for a while when workers took over, following threats of closure by management.

### The general framework

The major feature of the system is that unlike other Western European countries, working class organisations have always refused to co-operate or accept any reforms within the capitalist system; and when we know that the conservative/liberal coalition has been in power for more than 20 years we can probably understand partly why there has been such a slow progress in achieving industrial democracy.

France has enjoyed between 1945 and 1972 a fairly regular high rate of growth averaging 5% which as we have seen for the German system did not encourage disputes. The May 1968 events were considered to be an accident which no one expected and even now there are speculations on the reasons of this outbreak. This is not our concern we will leave the politicians to debate about it; however what is interesting to note is that "one has only to omit the experience of 1968 to disclose a picture of a relatively peaceful society (in any case less affected by strikes than England or

Italy)), perhaps, even of a society that is growing more peaceful" (Reynaud, 1975).

The oil crisis of 1973 with all its repercussions on the workers (drop in purchasing power, redundancies) brought a new dimension to the French context and the very close presidential election of 1974 showing the progress of the left, confirmed that the base wanted radical changes. The most important step was taken by Giscard D'Estaing just after his election to the Presidency when he set up a special commission led by Pierre Sudreau into studying the reform of the firm (we will examine its findings in more detail later in this section).

#### Trade unions -----

Trade union membership is very low and represents approximately 20% of the total labour force compared with 30% in West Germany. Their influence is very weak at plant level and their highly centralised structure does not help in this instance. "Two features characterise French unionism, ever strong and ever tending to reinforce itself, and class oriented organisation, focussing on overall workers' interests rather than the defence of their narrow economic interests, such as those concerned with a particular craft or job" (Reynaud, 1975). The majority of trade unions are based on industry rather than craft.

CGT is the oldest and also the largest union with its two million workers members. It is of marxist persuasion and has very strong ties with the communist party. It believes in strong action by the working class in collaboration with other workers to press for democracy. In other words the CGT considers itself as a mass organisation and confirms the role of the communists as an 'avant garde' party. The CGT favours national strikes and is very reluctant to support small local strikes. The LIP episode showed us their opportunism when after keeping a low key in the dispute, sensing that other unions such as the CFDT were stepping in with their support, quickly retracted from their position.

The key word in the CGT argumentation is 'opposition', at least up to 1968. Fol, leading member of the CGT, explained that his union cannot consider itself related to a system which was imposed upon them and which it could not control. He estimates that all formulas of co-management, co-determination etc... are only decoys to pacify workers because in these terms the final option is always in the hands of management. In September 1968, Krazuki, Secretary General of the CGT, declared to the 'Monde' newspaper:

"It is true that the notion of participation is related to real problems, but it means so many things. Effective participation of workers to the decisions

cannot be conceived under the domination of a financial and industrial feudality. It could only exist if the nation is effectively in control of the key industries by their nationalisation and rights guaranteed to workers and their unions".

These statements show that there is a committed resolve to reject any assimilation. However, as mentioned above, knowing that the CFDT was gaining ground and the events of 1968 forced the CGT to compromise by putting up their own version of democratisation through union action. Under 'gestion démocratique' unions would elect representatives to the administrative councils and to the 'comités d'entreprise' which would receive orders from, and be accountable to, the unions. Union activity, then, provides the essential means through which workers become the core of the firm. (Borstein and Keith, 1974).

- CFDT (Confederation Francaise du Travail) -

The CFDT generated from a split from the CFTC (Confederation Francaise des Travailleurs Chretiens) in 1964, marking its distance from the religious connotations that the latter union represented. It adopted a position of strict democratic socialism and associated itself with socialists such as the PSU (Parti Socialiste Unifié) and later on with the rejuvenated PS (Parti Socialiste). It has a membership of 900,000 workers, moving from a position where it represented at first mostly white collar employees to representing industrial and blue collar activities with a strong implantation at plant level.



As for the CGT, the CFDT refuses to co-operate under capitalism which it is intending to abolish, for them only under socialism could 'true' participation be achieved. As in the words of one of its leading members "... for any trade union wanting to achieve socialism, participation under a capitalist economy is a hoax". (Detraz, 1971).

The CFDT differs in many respects from its major rival the CGT which, for example, considered the supportive role of the CFDT during May 1968, by, for example, electing members to the strike committee, as an aberration. The main difference resides in the CFDT's adoption of self-management (we will devote a section to this aspect later in this section) which the CGT considered as a hollow idea "... From the CGT and PCF (communist party) point of view, 'autogestionnaires' avoid analysing the nature of contemporary capitalism. Its giant enterprises; the complex international system of finance ... rather, it presents an abstract version of political economy, avoids contemporary realities and misses completely the need to build a political organisation of all workers and democratic forces capable of opposing the state and assuming political power" (Borstein and Keith, 1974).

The CFDT refuses to consider any party as 'avant garde' of the working class which position it considers, is a compromission of union responsibility. For them, the unions should retain their independence and fight for

democratisation and decentralisation. "... There is no point in replacing an illegitimate and sometimes incompetent authority by a legitimate authority which is more competent. It is the concept of hierarchy that should be revised" (Detraz, Krumnow, Maire, 1975). As a consequence, although they urged their militants to vote for the left candidates in 1974, they kept their distance from the common program of the left.

- CGTFO (CGT Force Ouvriere) -

With its 800,000 members mostly from the public sector the CGTFO is issue of a split from the CGT in 1947. Although it claims a socialist allegiance it does not consider that there could be no possibility of bargaining within a capitalist economy and proclaims its autonomy within any type of system. Louet, leading member of CGTFO declared during their national congress at Lille in 1970 "... I do not think that we will ever know a perfect society, power even if detained by workers is subject to errors and abuses as shown in history. Any system needs the counter balance of unions to ensure equilibrium".

CGTFO rejects as the other unions the idea of participation but on the grounds that it viewed industrial relations to be primarily a system of contractual relations between management and trade unions as reflected by the words of Bergeron (1971) its General Secretary, when stating that "... Participation should not mean

integration and domestication of the union movement. On the contrary participation should be the expression of a willingness by the state and the employees to admit unionism as the sole representative of the workers in any talks". However this union has been branded by many of its detractors as an opportunist and collaborationist organisation which is moving towards right wing ideals.

The two other unions are based on profession with the CGC (Confédération Générale des Cadres) having 200,000 members mostly representing lower management ranks and the FEN (Fédération de l'Education Nationale) with 450,000 members representing teachers.

#### Representation in companies

The employee delegates (délégués du personnel) were introduced by the Matignon agreements during the popular Front government of 1936 and amended in April 1946. According to the legislation, employees delegates are to be elected in all industrial, commercial or agricultural concerns employing more than ten employees, for one year with possibility of re-election. He may or may not be a union member and has to protect the rights of his fellow workers on issues such as salaries, working conditions, hygiene and security and also has to ensure that the enterprise is complying with labour law in general.

According to the 1946 law the personnel delegate or 'délégation' can meet for up to 15 hours paid by the employer as normal time. However, a new law introduced by the socialist government in October 1983 extended this time to 35 hours (the Auroux Law) and insisted on having a 'délégué du personnel' for each category of personnel. The manager of the enterprise must meet the 'delegate' or 'délégation' (depending on size of concern) at least once a month.

The trade union delegates (délégués syndicaux) were created by the Grenelle agreements of 1968 following the events of that year, the rights of trade unions were at last recognised in all enterprises. Any enterprise with more than 50 employees is entitled to set up a union section (section syndicale). The new Auroux Law of the 28th October 1983 abolished the limit of 50 employees. The number of union delegates representing each union is according to the size of the enterprise. Their main task is to look after the interests of their fellow workers and unions. The role of the personnel delegate and union delegate tend to be confounded and often it is only one person that is assuming this role. " The unions naturally assign considerable importance to the role of the union delegate. In 1975, trade union sections had been established in 46% of those firms covered by the act of 1968 but this figure rose to 96% in firms over 1,000 employees". (Harrison, 1976).

## The Works Committee (Comité d'Entreprise)

The 'Comité d'Entreprise' was introduced by an ordinance in February 1945 (modified in 1946 and 1982), in enterprises employing more than 50 workers, they are equivalent to works councils. Each committee consists of the chief executive who is the chairman or his appointed deputy and all the other members. The number can vary from three representatives to eleven depending on the size of the establishment; an equal number of acting members are also elected and take part in meetings in a consultative capacity with no voting rights. Representatives to the 'Comité d'Entreprise' are nominated by the most influential unions and only in case of second ballot an employee can stand as a candidate (article 1.433.a). The 'Comité d'Entreprise', once elected, holds office for two years renewable. In addition, in multi-establishment companies a central committee (Comité d'Etablissement) for each unit employing more than 50 workers could be formed. The 'comité' meets at least once a month but there may be additional meetings if the majority of the 'comité' desires. The new Auroux Law of 1982 provides also for the creation of the group committee (Comité de Groupe) in order to provide for the 'Comité d'Etablissement' not only to be informed on the future strategy of the subsidiary but also of the group.

## Role and function of the 'Comité d'Entreprise'

General welfare is the area where the 'Comité d'Entreprise' has power of decision, it controls all welfare schemes and its related financial needs, providing canteens, health facilities, holiday schemes etc. However, on all other matters the 'Comité d'Entreprise' has a consultative role, it is entitled to quarterly reports on the order book, production programmes and, according to article 1.432.4.d, the chief executive is compelled to inform the 'Comité d'Entreprise' about the profit situation; and at least once a year, he has to present to the 'Comité' a report on the activity of the enterprise, the turnover, the global results of production, the development of the structure and the amount of salaries, investments and projects envisaged. The 'Comité' has the same right as shareholders to inspect certain financial documents and in addition should be consulted in advance on any plans of redundancies and training programmes.

To summarise, the 'Comité d'Entreprise' is mostly a consultative body and the only area where this body has a decision authority resides in the general welfare matters. Thus this committee could only best be described as a forum of discussion where employees get more or less informed and where the employers have an 'early warning device' whereby they could sense any signs of uneasiness from the workforce and thus have the opportunity to defuse any crisis which is arising.

Many question the role of this committee if, as is the case, bargaining matters are left with the union delegate and to a lesser extent to the employee delegate.

Within the framework the 'Comité' is operating, it could be best described as an echo chamber and does not accomplish its original role of information, opposition and control. As Weiss (1978) noted, in case of disagreement during a consultation between management and employee representatives, the original piece of legislation provided for arbitration within a commission related to a specific ministry in 1945-1946; but since then this particular ministry was suppressed and any opportunity for arbitration was suppressed as well. One can wonder why French legislation, although very specific by reputation, could allow for such an important loophole.

I fully agree with Tilden's (1974) conclusions when he reported that "... It must be stated that in those companies which co-operated in the formulation of this report there were no cases where committees could be held up as glowing examples of workers' participation in action, management tended to regard them as a somewhat tiresome necessity, the unions tend to regard them as something of a prop to the capitalist system". It is not surprising that the French Ministry of Labour has estimated that 25,000 enterprises fall under the legislation, but only 9,000 have complied with the law and instituted works committees.

## The Sudreau Report

Following the EEC recommendation for a two third representation, in an effort to harmonise European law and following pledges by the conservative/liberal coalition to improve the crisis of confidence between the two sides of industry, President Giscard D'Estaing, soon after his very narrow election to the Presidency, appointed in July 1974 Mr. Pierre Sudreau as chairman of a committee in charge of studying company reform. However, before the results of this commission, consisting of 10 members (three employees, three representatives of labour and four experts) were published, most of the unions (for once in agreement) were very sceptical about its conclusions.

The commission made more than 100 proposals from social to financial considerations, it will be rather tedious to consider them all, however, among its most important recommendations was the fact that it suggested that a new form of participation called 'co-surveillance' (co-supervision) which would result in representatives of all employees having one third of the seats on the supervisory board or the existing board of directors. The commission proposed unanimously that co-supervision should be optional for firms under 1,000 or 2,000 employees but was divided as to the implementation period, five years for certain members or completely optional for others. However, even if applied, this reform will concern a small proportion of the industry,



as we all know, one of the characteristics of the French industry is the strong presence of what is called PME (small and medium enterprises).

Bearing in mind that the unions would not have anything to do with co-decision the Sudreau Report read "... To confine workers' participation in board decisions to the pure function of co-supervision, the chairman would be required to seek the opinion of the directors at the end of each deliberation. The workers representatives could exercise their option of abstention when they consider the decision before them to be a matter of management and not supervision". It would be interesting to know what the criteria are on which they will separate discussions on making a decision and the one related to the control of that decision.

We are far from the objectives the Sudreau Commission suggested for co-supervision - "Further satisfy the needs of information and supervision felt by employees, through representation with a full right to vote on boards of directors".

We might consider the Sudreau Report as being radical considering the French framework, but even though, we can safely say that the proposals still leave managers with full rights of decision and on the other side, employees in total minority.

## Self management in France

France is probably the only country in Western Europe where self-management is currently debated with such vigour and where there is a chance of experimentation now that the left is in power.

It is agreed that theories of self-management provided much for the revival of the socialist party issue of the very old SFIO.

This term ('autogestion' self-management) was used for the first time by the CFDT on May 16th 1968 and was the central theme of their programme presented during their 35th Congress (May 1970), along with social ownership of means of production and exchange as well as democratic planning. The CFDT was instantly backed by the 'Parti Socialiste Unifié' (PSU) an extreme left organisation and by the socialist party in 1975 when it presented its '15 points on self-management'.

Self-management means for the CFDT "a radical change in the situation of employees; they are not any more subordinate to an outside power because they may form a position of selling their work power to an employer to the position where they become collectively their own employers, master of their work product and its use within the framework of democratic planning" (Detraz et al, 1973). More specifically, Detraz, a leading member of the aforementioned union, declared at a

meeting in 1969 that "... it would be an error to limit self-management to production units; its aim is higher; its principles involve the whole society. It is the enlargement of workers democracy in the firm all the way from lower level to the highest level of decisions including political parties, public bodies, social service institutions etc..".

As was said above, the self-management debate has its roots in 1968 when the CFDT recuperated a genuine movement by the workers to self-determine themselves to its own advantage in terms of increasing its influence compared to other unions. Of course this position was vehemently criticised by the communist party and the CGT which accused the CFDT and PS of ignoring the long term interests of the workers even though some years later they agreed, reluctantly, to the common programme of the left which oddly enough the CFDT refused to endorse.

Some years later, more precisely in June 1973, the same scenario occurred with the much publicised LIP affair, once again the CFDT was present at the start of the fight, which its major rivals joined later but for different reasons. In LIP a watch company operating near Bezancon, 13,000 workers took over their factory and started running it. An action committee composed of union members and non members succeeded in mobilising the whole company "... Because of such participative methods, almost all the employees of the company

played a really active part right throughout the long struggle. Everyday in the factory I was amazed to see 400 to 500 and sometimes even 700 strikers attending the general meeting" (Dumont, 1974). Even though the word self-management was avoided as much as possible by the unions (but not by the CFDT) in relation to the LIP affair it was nevertheless the case, if not very close.

This brief overview of the French model suggests that the 'Comité d'Entreprise' is mostly a consultative body. The only area where this body has a decision making authority resides in general welfare matters.

The model is, by and large, a failure, with employers and the state using every piece of legislation to further their authority and, on the other side, unions which<sup>are</sup> well divided and engaged in a fruitless and very damaging ideological debate.

The most important lesson that we have learned from France, probably more strongly than in Germany, is that the dichotomy that exists between socio-cultural and economic values in such a system makes the future success of workers' management very difficult if not an impossible ideal. Indeed the LIP experiment suggests that piecemeal self-management could not succeed within a system where private ownership of the means of production is the dominant element.

It seems that the present government, despite its repeated assurances when in opposition, has not brought forward any new proposals that are worth considering.

## The Yugoslav Model of Self-Management

The Yugoslav model has been subject to an extensive amount of investigation along a wide spectrum of issues concerned with industrial relations, organisational behaviour and behavioural psychology. One should note that this resulted in widely conflicting results. It is not certain whether this was due to some conceptual bias on the part of certain of the researchers or whether the dynamic aspect of the Yugoslav system is the cause of such discrepancies. The self-management movement that was to be the major feature of the Yugoslav economy in later years, takes its roots from the war of liberation against foreign forces in the Second World War. During that period, which was characterised by extreme hardship, workers took over factories in areas liberated by the National Army of Liberation. It must be remembered of course that prior to the war, Yugoslavia was a capitalist economy with a monarchical government.

Just after independence the Yugoslav economy was in a state of complete devastation and Yugoslavia was one of the least developed countries in Europe. 80% of the population was rural and almost 50% illiterate. Drulovic (1978) quoting a passage in a report of the 'Reparation Commission' in Paris, illustrates this state of devastation. During the Second World War Yugoslavia lost about 1.7 million lives and suffered damage of over 9,000 million dollars (17% of the total

losses of 18 allied countries, excluding Poland and USSR). In response to this situation Tito and his party had to take drastic measures which were translated in a series of nationalisations of all enterprises in vital sectors of the economy such as banking, industry, foreign trade and public transportation.

Before 1948 Yugoslavia was briefly a model Stalinist state and became one faster than any other Eastern European country. The implementation of a Stalinist model was translated into bureaucratisation, lack of incentive, inefficiency and absenteeism. Workers started to be disillusioned with the effects of state socialism. The year 1948, marked a turning point in Yugoslavia's history, for it was expelled from the Kominform by a unanimous decision. This expulsion must have constituted a real blow considering that the Eastern block constituted 56% of Yugoslavian imports and 53% of its exports in 1947. In fact the blockade that followed is estimated to have cost the Yugoslav economy \$430 million.

Some commentators believe that the hardship brought by this decision led Yugoslavia to develop its own brand of socialism (Blumberg, 1968; Drulovic, 1968). Others argue that it is a myth to believe that only as a result of the rupture of relations with the Soviet system that a distinctive ideology was developed, and argue that sooner or later Stalinism would have been rejected. However, whether a cause or an effect a

particular brand of socialism was instituted with self-management being a dominant element.

In this section I will briefly examine how self-management has developed in Yugoslavia, assess how far this country has solved the problems involved in achieving self-management and what the lessons are that can be derived from this experience.

The 1950 law providing for workers' councils bears a lot of similarities with the 'Décret de Mars' of 1963 which legalised self-management in Algeria. Also, the economic situation that prevailed prior to the installation of workers' councils in the two countries was very similar. However, as will be seen in a later chapter, the two models subsequently followed different ways; whereas in Yugoslavia there has been a certain level of 'liberation' of the system, in Algeria the 1971 Code and Charter for the Socialist Management of Enterprises reinforced the states hold on industrial concerns and signalled a new era of pragmatism based on socialist principles.

I distinguish three periods in the development of self-management in Yugoslavia:



- First period (1950 - 1962)

The golden years of the Yugoslav model

The main foundations of the present system were set in an act passed in 1950 which provided for the election of workers' councils. Just before the adoption of the act, 520 councils were operating with an estimated 14,000 members. These councils however had to be renewed since their composition and election procedures had to be brought into line with the new law. The law provided for the creation of three levels of decision-making:

- i The workers' council - comprises one to two per cent of the total workforce, depending on size and is elected for one year (extended later to two years) by the whole workforce. Its main functions were, apart from electing members of the managing board, to approve or reject projected economic plans, scrutinise annual financial reports and draw up labour relation laws.
- ii The managing board - comprises five to eleven members. This board carries out the recommendations of the workers' council and is in charge of the day-to-day management of the organisation. It also supervises the director and his subordinates and controls discipline.

iii The director - overall responsibility for management lies in the hand of the director who is at the same time the link between the state and the organisation.

Since its inception and up to 1952 a series of changes were introduced and consolidated the authority of workers' councils in various areas such as the right to distribute net income, the right to hire and dismiss workers which had previously been in the hands of the director.

This series of measures has also been accompanied with a reinforcement of the political role of the communes.

The 1950 to 1952 period was also characterised by a very high rate of economic growth (11%) at the end of the five years plan (1957 - 1961). It was in fact a considerable achievement in view of the fact that Yugoslavia was subject to an economic blockade.

It is obviously impossible to assess what is the contribution of the system of workers' management to this extraordinary rise in economic growth but it cannot be disputed that a positive correlation has surely been the case.

- Second period (1953 - 1973)

Stagnation and stifling of the system

By 1963 self-management status was extended to all forms of labour including non-economic entities. However, this period was also characterised by the emergence of a 'socialist' market economy which for all intent and purpose had all the signs of a mixed market economy. In fact this kind of economy has emerged as a result of excess decentralisation in an effort to dismantle the previously very rigid state apparatus (Denitch, 1972; Stephen, 1975).

For example, the banking system was liberalised, banks were transformed into commercial banks acting according to strict business criteria. Perhaps there were not yet private banks according to the capitalist definition, but every enterprise, union, local authority was authorised to create with its own resources its own bank. Furthermore, in September 1968 shares were offered for public subscription by Crvena Zastava, which is a self-managed enterprise assembling Fiat cars in Yugoslavia. Finally, well known multi-nationals have been, and are still, engaged in joint ventures with Yugoslavians' self-managed enterprises. Pasic et al (1982) remarked that the reliance on the free functioning of a competitive market led to the accentuation of differences in the financial situation of individual enterprises and branches of the economy. These differences, combined with the serious inequali-

ties that already existed in levels of economic development between the various parts of the country, the relative scarcity of resources for development and the arbitrary exercise of economic power on the part of central banks as a distributor of investment funds (providing 50% of investment funds), gave rise to widespread dissatisfaction, conflicts between regional or local and wider interests and political disturbances.

Furthermore, as a more direct impact, measures taken during this period contributed towards a swelling of the middle management function and a reinforcement of the staff function because of their ability to understand more easily the intricacies of market regulations.

- Third period (1974 - 1983)

Attempts at revival of workers' self-management

As seen above, progress towards self-management has been hampered by measures taken during that period. The resulting dysfunctions in the Yugoslavian system provided for more reforms intended to give ordinary workers a greater say. These reforms were embodied in the Constitution of 1974, and more importantly in the 'Associated Labour Law' of 1976 which basic objective has been to break down large concerns into smaller units. (Once again, as will be seen in later chapters, these measures bear strong similarities with the restructuring of industrial concerns in Algeria with the reforms of 1980).

The basic aims of these reforms was to redefine the previous notion of enterprise as an 'association of labour' which is composed of a number of 'basic organisations of associated labour' (BOAL). Organisations of associated labour are a radically different type of institution from the traditionally privately owned or state owned undertakings. According to the new constitution and the associated labour law, a basic organisation of associated labour may not exist independently of a work organisation. This organisation can be compared to a profit centre or a division in a western company. In fact this comparison is the more valid when, at least at its inception, it is known that the BOAL has the opportunity to use the market transfer price. Workers have the right and are indeed obliged to form a basic organisation within a work organisation if the following three conditions are met:

- i If the unit is engaged in a part of the production process or of the activity of the work organisation that forms a coherent whole, in which workers are mutually interdependent in their work and directly linked as a group to the work process as a whole.
- ii If the gross income of the unit concerned can be calculated independently and separately and if it earns that income in a lawful manner; and

- c. If the workers can, freely and on an equal footing, exercise their management rights in the unit concerned, pool their labour and resources with other workers and manage the income earned by various forms of such association, regulate labour relations, and in general assume the responsibilities and obligations of a basic organisation.
- (Pasic et al, 1982)

The scale of this restructuring has been colossal and by the end of 1978 there were 40,000 organisations of associated labour and about 19,000 basic organisations of associated labour with 85% of those organisations engaged in the production and distribution of goods (ILO, 1981). Moreover, self-employed workers could also form into co-operatives or what is called 'Contractual Organisations of Associated Labour'. The 1975 law also brought changes to the functioning of the workers' councils and the managerial function.

The workers' council contrary to what was taking place before could take routine decisions on behalf of the workers but important matters, such as investment decision, mergers etc., are subject to a referendum. Of course some basic rights are still operating such as the election of the director every four years and the appointment of executives. These two bodies could also be dismissed in the same manner by the workers' council. Workers' councils should, according to the new law, be proportionally represented in the sense

that all functions of the BOAL have delegates. In general it is admitted that their number consists of between 15 and 70. The same regulation applies to the representation at the work organisation level. Delegates to the workers' council are elected by secret ballot for a period of two years but cannot hold the post for more than two consecutive terms.

It has been admitted that the new law could not cover all aspects of self-management and surely could not regulate every single act of the workers' council. For that reason, current practices vary from BOAL to BOAL although they are encouraged to keep to the spirit of the new constitution and the 1975 law.

Finally, a new supervisory body has also been introduced, 'The Workers' Supervisory Commission', in order to safeguard workers' rights. Its main attribution is to supervise the executive committee in addition to the supervision already exercised by the councils. This supervisory commission, which operates independently, also makes sure that companies follow very carefully the provisions laid down.

Managing boards, as such, do not exist anymore in BOALs. Under the new law, it is mostly individual managers who run the BOALs. However, at enterprise level there is a committee composed of the director of each BOAL and presided by the general director. The basic task of this committee is to co-ordinate the

activities of the BOALs. In fact although the BOALs are separate entities, they are brought together during the planning process which has the particularity of being complex and at times cumbersome. Indeed while short term planning is the responsibility of individual BOALs, long term planning is the responsibility of the association of labour. This is also a radical change from the planning process operating prior to 1974.

It seems from the above that the Yugoslav system has shifted almost radically from its earlier socialist stance and is now relying more heavily on the market even if it is assimilated to "Market Socialism". Also, the notion of profit has reappeared more forcefully, for example, although about 40% of investment funds are generated internally the rest is provided by banks acting on similar criteria as their counterparts in capitalist countries. Bernstein (1970) goes as far as warning that we could have "workers' capitalism", i.e. a system still driving for personal gains through 'profits' with companies unconcerned about whether their activities exploit the consumer or damage the natural environment. In fact the notion of market socialism is by definition contradictory, and since its introduction, the Yugoslav economy has encountered very important economic problems in terms of plant closures and redundancies.

As far as decentralisation is concerned, there is a strong feeling that it has been pushed too far and



resulted among other things in a complex system of planning which provided for a techno-structure within self-managed organisations to arise. Indeed in the last resort the state bureaucracy of the fifties has been replaced by a technocracy that could be more harmful in terms of the ideals of self-management. In fact the first lesson that can be learned from Yugoslavia, as far as Algeria is concerned, is to strike the right balance between macro and micro interests. As mentioned before, Algeria seems to have followed the same path as Yugoslavia, however the difference is that the market has no place in Algeria (we will come back to this issue later in this thesis).

A more specific problem related to the functioning of associated labour organisations could be cause for concern. For example, the new law provides for the general director to suspend the application of decisions taken by the workers' council or of any other workers' management body, whenever it conflicts with the law. However, as mentioned before the law has been unable to cover all aspects of the enterprise's activity; therefore the supervision of some decisions may, in these circumstances, be up to the general director's interpretation of the law. Evidence certainly suggests that institutional arrangements have not lessened managerial influence. For example, Kavic et al (1970) in their cross-national study found that despite the structure of self-management, Yugoslav managers have more power than any other country studied

although with a smaller power distance. Surveys from Bertsch and Obradovic (1979) have shown clearly that workers have less influence than managers in the self-management system. Finally, using a different approach, IDE (1979) found that "... in Yugoslavia, formal roles regulating intra-organisational decision making have been clearly shown to favour top managers".

Finally, more evidence, Obradovic (1970) suggests that alienation in the workplace is still existing and that in fact members of the councils are the most alienated.

Obviously the Yugoslav system has not lived up to its expectations; however, it must be remembered that self-management is still in the process of implementation and, despite the problems we have shown above, has achieved a number of successes in terms of training a newly industrialised workforce, increasing the influence of representatives and, on a macro level, maintaining federations together.

I personally believe that socialism is fading away and the introduction of market mechanisms may have exacerbated the difficulties encountered.

## Conclusion

By now it is possible to draw a certain number of conclusions from the observations made so far. By and large it is generally accepted, at present, that participation is desirable in industrial settings, however the form and intensity that participation is to take has been subject to intense debate among specialists. A previous section has attempted to set the boundaries of that debate by analysing the various views that were expressed as regard to the extent of participation and its probable outcomes. In the forthcoming section there will be a broad comparative analysis outlining the outcomes of models of participation in the different countries and more specifically identify the major characteristics that have emerged during their application. It is understood that the impact of societal characteristics had to be clearly identified in order to extract parameters promoting or inhibiting participation.

It is, I think, fairly reasonable to venture that internationally there is a growing interest in schemes of workers' participation; however at the same time it is increasingly evident from the results of empirical studies among which the international IDE study conducted in 1980, that there has been, by and large, a failure to involve lower level workers in managerial procedures.

It is interesting to note from the analysis that has been conducted in previous chapters that participation, whether in capitalist or socialist countries, had been imposed upon governments through pressure from workers during or soon after a period of deep crisis. It is remarkable that this process has been observed in each of the countries studied, whether in Germany and Yugoslavia just after the War, France during the crisis of 1968 or Algeria after the War of Liberation. Also thereafter the same pattern of events seem to follow insofar as governments step in and institutionalise the various movements according to the state's interests and ideology and more often than not, contrary to workers' expectations. It has been shown that in capitalist systems this 'guidance' and manipulation is plain to see and not surprisingly had resulted in exacerbating the division between labour and capital through those schemes of participation. Indeed in those cases, management prerogatives have been strengthened in a more subtle fashion.

It has already been mentioned that the 'co-determination' movement in Germany and the 'Comité d'Entreprise' in France have never had for ultimate aim to allow workers to take charge of their own destiny within their organisations. Because of the fact that the only areas where workers' representatives have a say are peripheral issues, which after all do not endanger the powers of management, it can be said that these schemes are 'manipulative' if we follow Pateman's (1970) and Mulder's (1977) terminology.

By and large the development of workers' control is incompatible with private ownership of the means of production. In that respect the German and French cases have revealed the anomalies associated with running schemes of workers' participation under a capitalist economic order. Indeed true workers' control by definition rejects the domination and exploitation of labour by capital which is the hallmark of a capitalist system of production. Moreover, the lessons from experiences of piecemeal 'workers' control' in co-operatives in West Germany and France and more specifically the self-management attempts at LIP (although many denied this status to LIP, see previous section) have taught us that in the first case, i.e. co-operatives, the movement has always been subject to attacks from a vast array of fronts:

- The banking system when restricting credits.
- Intense competition from multi-national and other large corporations which achieve economies of scale which co-operatives could and would never achieve.
- Financial inducements from outside agencies that tempt experienced managers to leave their generally lower paid settings.

Furthermore, in the case of LIP where at the start workers' control was successful, the connivance of

unions with government agencies hostile to self-management organisations, ruined any future hopes for that particular experiment. The majority of unions have been opposed to workers' control which they saw as endangering the influence they held. It is interesting to note however, that the position of unions in France and Germany has shifted almost radically towards accepting the inevitability of participative schemes. However, the unions still consider that they have to be an integral part of the dynamic process of participation and believe that they will be able to achieve much more as a 'contesting' organisation, defending the interests of their members at national level. In France, because of the specific circumstances we commented upon in detail in the previous section, the CFDT, a union close to the socialist party, clearly indicated that it will support and will even initiate the institution of self-management in France.

If workers' control is incompatible, as has been seen, with the capitalist mode of production, there is also an indication in the same vein that the transfer of the means of production from private to public ownership, as has been done in Yugoslavia, is by no means a guarantee that there will be an end to the exploitation and alienation of labour. Excessive and strong centralised planning is inimicable with a healthy development of workers' control; it has been shown that in Yugoslavia the Stalinist model of earlier years produced a state bureaucracy that tended to deny fairly

basic decision taking to workers, such as the distribution of profits or the choice of representatives. Under those conditions it can be stated that as far as workers' are concerned, although ownership of the means of production has been transferred, there is no drastic difference regarding their position within the organisation. However it is agreed that at macro level, society as a whole, including therefore the individual worker, may benefit. The Yugoslavian experience taught us also the dangers associated with excessive decentralism. In fact Yugoslavia was obsessed by the repercussions of centralism and in its attempt to decentralise only landed in what could be best described as 'neo-collectivist capitalism', with the market playing an increasingly important role. Indeed the scope of action left to the market is not perceptibly different from that which is found in a mixed capitalist economy. "Outside workers' participation the fundamental difference which separates the two schemes of economic regulation is the absence in Yugoslavia of a stock market". (Marezewski, 1973).

There is certainly no indication that national planning is inimicable with self-management. On the contrary, in under-developed countries a comprehensive planning system highlighting the main objectives of economic development and therefore co-ordinating the different functions of production, distribution and consumption is necessary and complimentary to any variant of a participatory model and under no circumstances expressly detrimental.

THE ALGERIAN MODEL OF WORKERS' MANAGEMENT

Historical background

A significant number of events during the colonial period provided the roots for the ideology of the self-management movement which emerged in 1962 in Algeria. Indeed the period of 1830 - 1880 broadly corresponds to the emergence of capitalism in Algeria culminating with the crisis of 1929. The colonial era was characterised by huge investments in agriculture to the detriment of industry. The setting up of the 'Plan de Constantine' in 1956 was designed to enhance the development of industry which was practically non-existent in Algeria. However, as the crisis was already very profound and the War of Liberation had been going on for two years, this attempt was bound to fail.

In the agricultural sector a series of land reforms between 1885 and 1926 contributed to the progressive expropriation of Algerian peasants from their land and these were replaced by colonial owners. The settlers received important grants from the metropole, this helped towards the formation of an important agrarian 'Bourgeoisie'. By 1930, about 75% of the active agrarian population were poor landless peasants.



The destruction of this traditional sector of subsistence led to a great deal of hardship. European settlers who acquired the most fertile land even differentiated between 'permanent' workers in agricultural concerns who were mostly French and the 'Khames' constituting the poorest but also most important section of the Algerian active population. This is only one aspect of capitalism which consists in dividing the most impoverished in order to avoid facing a united front. Bismark's motto of "divide and rule" very much applied. This situation was also exacerbated in cities where the proletariat was divided between European, who were trained to supervise in colonial industrial concerns, and Algerians, who constituted an increasingly large amount of exploited and impoverished workers. That period witnessed the birth of a new kind of proletariat which comprised a massive influx of peasants fleeing the countryside.

After 1930 there was a deepening of the crisis which led into massive unemployment and accelerated exodus due to lack of credit in agriculture, and also burgeoning of shanty towns around the big cities. It must be noted that emigration, as such, started about 1933 when metropolitan capitalism attracted to its economy a low paid workforce from the Algerian proletariat.

This brief analysis of the consequences of the new social structure shaped by colonialism, will have an important bearing on the ideology of the liberation

movement as well as on the socio-political framework that will take place after independence.

The massive repression and exploitation of Algerian populations gave rise to Algerian nationalism largely based on the peasantry; this movement emphasised its Arabo-Islamic specificity. A period of very strong activity culminated in huge demonstrations just after 1945. Indeed Algerians who contributed to the war effort against fascism with the French army, could not basically understand why, after having lost so many of the compatriots liberating occupied territories, they should accept being subjugated in their own fatherland.

On a broader level this post war period saw the rise of an Algerian intellectual elite; as noted by Benachnou (1983) this intellectual elite, modernist and populist, ideologically and politically repressed, did not accept its exclusion from the social and economic sphere by the colonial power.

A split in the nationalist movement occurred when, encouraged by the defeat of colonialism in Vietnam, a great number of nationalists considered that acting within the democratic system did not lead them anywhere and that the only path of action that was left involved violent action. This splinter movement won the approval of the masses and culminated in November 1954 with a declaration of war issued by the CRUA (Comité Revolutionnaire d'Unité et d'Action), announcing the

creation of the FLN (Front de Libération National) and the beginning of hostilities. Soon afterwards every Algerian political movement joined the FLN and after a War of Liberation that claimed approximately one million Algerian lives, independence was declared in July 1962.

Self Management: A Collection of Mixed Fortunes

The events that occurred just before independence were to have serious repercussions on the future Algerian state. Indeed the executions that were carried out by the OAS (Organisation Armée Secrete) against the local population, with the tacit approval of the European population, were to leave deep scars which were not to heal rapidly. It contributed to a radical split between the two communities. The two populations were bitterly divided and this resulted at the end of the war in a massive exodus of settlers towards the ex-metropole. However, before their departure the colons implemented a policy of the 'Terre Brulée', in other words, they destroyed all machinery, buildings and administrative records. The Algerian nation was, after their departure, in very deep trouble if not in total chaos; that is, high level of illiteracy, financial situation nearing bankruptcy, no industrial base, two million unemployed and nearly half a million refugees rejoining Algeria from neighbouring countries. There existed only a handful of Algerian technicians and civil servants who served under French government

agencies to take over and contribute towards rebuilding the new state.

This period was also marked by a very important political act that was going to shape Algeria's future development. In June 1962, just after the Evian agreement which recognised full sovereignty of Algeria, a program drafted by the FLN called the 'Tripoli Charter' unequivocally emphasised a socialist way of development and warned about the dangers of the 'Bourgeoisie' in taking over the fruit of the revolution. One of its most important paragraphs is reproduced below:

"... The future development of the country is related to the setting up of basic industries in order to satisfy the needs of a modern agriculture. In that respect, Algeria offers vast opportunities with the exploitation of oil and gas resources.... It is the responsibility of the state to set up the basis for the creation of a heavy industry.... Under no circumstances the state shall contribute to creating, as was the case in other countries, an industrial basis for the local bourgeoisie. This bourgeoisie has to be stifled by any means".

This mention of 'some countries' clearly implied Latin American ones where the state had to accommodate with the bourgeoisie which in subsequent events took over and dictated its own priorities. The working class in Algeria successfully prevented the local bourgeoisie from overtaking vacated farmland and factories and substituting itself for the colons. The takeover by the working class in Algeria was spontaneous and to a certain extent anarchical, it was called 'Autogestion'.

This spontaneous takeover of 'biens vacants' led to the formation of 'comités de gestion' in September 1962 and signalled the emergence of self-management. This action represented the final break with the pre-independence capitalist form of production relations. However, self-management never extended to the whole system and was only restricted to concerns that were on the brink of collapse. After a period of hesitation from the government regarding the way to react to the new situation, they finally agreed (some commentators say reluctantly) to institutionalise this movement by a decree in March 1963 which considering its importance is reproduced in appendix. As said above, there was hesitation on the part of the Ben Bella government on how to react to that takeover; observers of the Algerian political scene are convinced that the government did not want to sanction in the first place this 'fait accompli'. Also, considering that the Evian Agreement in one of its clauses provided for settlers that fled the country the opportunity to claim back their property.

I believe that the government at the outset wanted to have a strong hold on the 'autogestion' movement but, in view of the euphoria that succeeded independence, it did not want to take any controversial measures at the outset. The decree of March 1963 clearly implied that the state would direct the revolutionary movement, and to that effect provided for the nomination of an unelected director of enterprises who "... shall repre-

sent the state within the undertaking, supervise and be responsible for the legality of the economic and financial operations carried out by the undertaking *inter-alia*". (Article 20 - Decree number 63.95). In other words, there will be democratisation of the decision making process but under the direction of the state. Let us see briefly what the provisions of this decree are.

There is a distinction between four levels:

i. The workers' general assembly

It comprises all permanently employed workers of the concern who meet once every three months or when a third of the membership expresses the need. What is interesting to note is that the director takes the final decision as regard to the membership of this assembly.

ii. The workers' council

This council is elected by the workers' general assembly, the council is elected for a three year term although a third of the membership is renewable every year with the possibility of reselection. It holds a meeting every month and decides on the purchase or sale of equipments, long and medium term loans and examines the accounts before their dispatch to the workers' general assembly. Finally it elects the managing committee (*comité de gestion*).

### iii. The managing committee

This committee is composed of three to eleven members, the election procedures as well as the time span are similar to the workers' council. This particular committee has a 'managerial' role. The chairman of the managing committee presides and guides the meetings of the two aforementioned bodies.

### iv. The director

The director is the representative of the state and is nominated by the relevant ministry (supervisory authority) and can be dismissed in the same manner. It can be noted that the director has too much power, also the fact that he is an unelected member is surely contrary to the spirit and ideology of self-management. However, a law passed in May 1965, was the result of a growing discontent among members. This law transferred his status from being a representative of the state to the position of a permanent worker with the same rights that regulate his co-members.

Self-management, unfortunately, did not expand outside the sphere of 'biens vacants' (vacated properties), and I consider that a series of measures that were adopted a posteriori; contributed to its downfall. In the first instance the creation of ONRA (Office National de la Réforme Agraire) and BNASS (Bureau National d'Animation du Secteur Socialiste), which were organisations

designed to supervise the management of councils in agriculture and industry, brought a degree of centralisation that was incompatible with self-management. Also, most importantly, lack of funding and expertise coupled with a hostile environment exacerbated the difficulties.

Self-management most certainly collapsed in its historical form with the fall of the Ben-Bella government in June 1965. The new government team made its position about 'autogestion' very clear, in a major speech by President Boumediene "... The era of paternalistic autogestion is over... no more favouritism. The workers in 'autogestion' must pay for the amortisation of the capital goods, in other words they must, in the future, run their sector rationally".

#### The Algerian Model of Development

Up to 1965 there was a series of piecemeal nationalisations that did not have a real impact on the Algerian economy. It was a period of recovery from the ravages of colonialism and although there have been some positive actions taken such as a clear commitment to socialism and the 'imposed' declaration of self-management, there was no firm indication as to how socialism may be consolidated or what the future may hold for Algeria.

A speech made by President Boumediene in November 1965 signalled a new era of pragmatism and laid the basis



for future events that were to have strong repercussions on Algeria as a developing country.

"... Socialism is not this incoherent collection of improvised measures and personal reactions that for three years gave the people an erroneous idea of socialism. Socialism is a long and laborious process of construction that requires the elaboration and application of a comprehensive plan".

The basis for the economical development of Algeria started with the nationalisation of mining interests, banks, insurance companies, trade, oil and gas complexes up to 1969, and finally hydrocarbons in 1971 that led to a serious strain in relations with the ex-colonial power.

Revenues from oil and gas were to provide the basis for reshaping the Algerian economical structure that was 'disarticulated' and 'extroverted' to an integrated independent one. The Algerian economy was characterised by a dualistic structure split between a traditional sector that includes agriculture and a modern sector comprising industrial concerns.

The Algerian development strategy has been largely influenced by De Bernis (1965) model of 'Industries industrialisantes' which provides for a rapid development of under-developed social structures. However, even when ignoring the basic criticisms that are

directed towards this model, which will be laid out later in this section, the basic problem is about the choice of industrialisation; that is when four fifths of the population live from agriculture a less radical model could have been chosen. The model in operation was designed in order to restructure a 'disarticulated' economy into a coherent and integrated one with the help of stringent planning. It consists in investing massively in heavy industries which will provide agriculture with the means to undertake its own development and in turn result in an expansion of the national market. There is, under this model, a need for an agrarian reform dominated by mechanised medium farms in order to absorb the surplus that will be generated by the industrial sector.

There are, however, many dangers associated with this model:

- Unemployment created (at least in the short term)
- Technological dependency
- The low level of skilled labour may induce a high level of technical co-operation which in turn may bring technological dependency.
- Massive level of financing that is necessary and the nature of high capital intensity that is involved in these industries may require additional external borrowing.

As noted above, 'planification' was to be the corner stone of the Algerian model of development and during the period 1967 to 1979, three plans of development were set up culminating with a five year plan 1980 - 1984. It started with a three year plan (1967 - 1969) which allocated about 10 billion Algerian Dinars to investments, 32 billion A.D. in the following 4 years plan (1970 - 1973), 110 billion A.D. in the period (1974 - 1977) and finally an estimated 400 billion A.D. in the latest five years plan (1980 - 1984).

By 1980, national enterprises (state firms) in the industrial sector were encountering huge losses that were mostly due to an inadequate financial structure and were jeopardising the future development of workers' control scheme, which was given a new lease of life under a different framework in 1971. To that effect a national committee for the restructuring of public enterprises was created.

The new restructuring scheme was primarily designed to dismantle big concerns which have been pictured as states within the state. For example, an estimated 66% of national industrial firms comprised more than 10,000 workers, the largest being 'Sonatrach' the oil and gas enterprise with a total of 100,000 workers, followed closely by 'SNS', the national steel corporation (which will be discussed in more detail in a subsequent chapter) which has been split into 16 new enterprises, some from the previous divisions and others totally

new. National firms were to give up activities that were not connected with their primary vocation, also functions of commercialisation and production were to be separated as well as production and engineering.

Also in connection with workers' control it was thought that the officially recognised difficulties that Socially Managed Organisations (SME) were encountering were partly due to the anarchical way these previous undertakings expanded.

#### The Legal Framework of Socialist Management of Enterprises (SME)

As mentioned earlier, self-management was introduced in 1963 after the proclamation of independence and had deep political overtones. This model was subsequently replaced in 1971 when the charter and code of Socialist Management of Enterprises was promulgated. Initially the field of application of SME solely concerned public enterprises in industry. Those public corporations as a result of extensive nationalisations comprised approximately 85% of the industrial sector. However, this scheme was extended in February, 1980 to all financial institutions and thereafter to all sectors of the economy with the exception of agriculture which was under a different type of reform.

The Charter and Code of Socialist Management of Enterprises provided for the division of all public

enterprises into units which were created on the basis that they have a homogenous and integrated technological process. Each unit elects its own workers' assembly for a three year term and in turn the various units elect the workers' assembly of the enterprise for the same period.

All enterprises are under the direct authority of the supervisory authority which in this case is the relevant ministry. The ministry plays an important part in relation to the socialist enterprise. Ordinance number 75-76 defined its role as "controlling that the socialist enterprise conforms to the general policy of the state". Among other things, a particular ministry sets the sectoral objectives of each enterprise according to the indications of the national plan and provides the enterprise with the means to achieve the assigned targets. But more specifically, it approves the projected financial plans, any proposed expansion, the organisation chart of the enterprise and personnel regulations.

In summary there are in Algeria three levels of authority; the unit, the enterprise and the ministry. The latter appoints the director for the enterprise and also has to approve the nomination of the unit directors who are proposed by the director of the enterprise. (We will come back in more detail to the functioning of the participatory bodies later in this chapter).

The basic purpose of the Charter of Socialist Enterprises is to transform the position of a worker from simple 'wage earner' to 'producer manager'. In other words, there is an attempt at eradicating the conflicts that arise from the separation between physical and intellectual works, and by associating workers to all levels where important decisions are taken, whether planning, controlling or organising.

Article 8 of the charter defined a worker as "any person who depends on his work for a livelihood and not employing to his advantage other workers for the purpose of his occupational activity" (Charte et Code de la Gestion Socialiste des Entreprises, 1972). Workers are the centrepiece on which the model is based and in many parts of the charter it is clearly specified that true socialism will only succeed if workers are involved in managing their own productive work.

The charter stresses in its introductory chapter the identity of interests between workers and state, and reiterates that the enterprise is the property of workers. The enterprise belongs to the state, the state belongs to the workers, hence the enterprise belongs to the workers. In that sense "workers shall ensure that the assets of the enterprise are safeguarded and shall help to eliminate wastage and denounce any malpractices" (Article 18 - charte et code de la gestion socialiste des entreprises).

It is important to note that the Algerian model has been designed not only to allow for extensive participative management, but also to increase production and productivity. And the charter clearly specifies that workers shall play their part in increasing efficiency.

The Algerian Trade Union movement (UGTA) is still very active and in conjunction with the party (FLN) played a significant role in the period preceeding the implementation of the self-management model, by undertaking a massive explanatory campaign. Apart from the specific role it plays in the private and agricultural sectors, it also has a role of education of the workforce. It participates in the electoral procedures that take place in the enterprises, in conjunction with the party and the supervisory authority, designed to select candidates for the workers' assembly. This board, it must be noted, draws up the final list of candidates, in a number equal to twice the number of vacancies to be filled.

In short, the claimed objectives of the participatory model were twofold:

- Allow workers through the power given to them, to assume their respective duties in the construction of socialism.

- Allow control mechanisms to operate in order to preserve fundamental rights of workers and prevent any deviation from socialism.

In the following section we will examine what are the functions and duties of the various participatory bodies which are; the workers' assembly, the standing committees which act on behalf of the assembly, and finally the managing council which consists of the director, his assistants and one or two representatives of the workers' assembly.

#### The workers' assembly -----

The charter and code of the SME (Decree 73-176) provides for the election of an assembly for a period of three years by all workers belonging to the unit. In turn the workers' assembly of each enterprise is elected for three years by the workers' assemblies of all units part of the enterprise. However, when an enterprise has only one unit, its workers' assembly is elected in the same manner as regulated for the unit.

The number of candidates must be double the number of the position to be filled, all candidates must be full-time workers and members of the UGTA for at least one year. However, all members, even those not belonging to the union could participate in the ballot. But there are proposals to allow only members of the union to ballot (proposals discussed at the third conference



of CNGSE\* in 1979). The nomination committee consists of two representatives of the FLN; two from the UGTA and two from the supervisory authority which will draw the final single list. The charter is quite precise in stating that the workers' assembly at both levels (unit and enterprise) is a powerful body which will clearly and simply "control the activity of the enterprise". The number of delegates shall vary depending on the size of the company. (Article 5, Decree no. 73-176).

7	members	in	units	with	between	30	and	150	workers
9	"	"	"	"	"	151	and	300	workers
11	"	"	"	"	"	301	and	500	workers
13	"	"	"	"	"	501	and	1000	workers
15	"	"	"	"	"	1001	and	2000	workers
17	"	"	"	"	"	2001	and	3000	workers
21	"	"	"	"	"	3001	and	4000	workers
25	"	"	"	"		over 4001 workers.			

The number of delegates to the workers' assembly of the enterprise will vary according to the number of units

\* Commission Nationale de la Gestion Socialiste des Entreprises - this is a meeting that discusses all problems that are faced in the implementation of SME and gathers the union, the party, representatives of the ministry and members of the national enterprises but must not exceed 25 members and there may be

arrangements for one delegate to represent two units on the basis of geographical proximity or similarity in the activities they carry out.

The president of the workers' assembly is elected by secret ballot by the delegates for a period of one year, renewable, from a list consisting of two candidates.

The most important prerogative of the workers' assembly is control. This notion is however not very explicit in the charter, it was only named as 'popular control' but one may guess that the authorities wanted to dilute the strong connotations of this concept as it is understood in private concerns, i.e. limited to fight bad spending and inefficiency. Decree number 75-150 reproduced below lists in detail the prerogative of the workers' assembly in each socialist undertaking and unit.

- (i) Formulates opinions and makes recommendations to the managing council regarding the work plan for each year or for several years.
- (ii) Supervises the implementation of the plan, and prepares an annual report outlining the successes, shortcomings and lessons to be learned.

- (iii) Decides on the allocation of the financial results of the undertaking, including the distribution within the undertaking of the portion of the results destined for the workers' community.
- (iv) Is consulted by management before any important changes are made in the structure of the enterprise (or unit) and before any fundamental reforms are made affecting the workers.
- (v) Formulates the social policy of the enterprise or unit and supervises its implementation through social and cultural institutions.
- (vi) Appoints representatives from amongst the assembly members to the managing council and to the various committees dealing with health and safety, discipline, social and cultural affairs, personnel and training.

As far as meetings are concerned there are four ordinary meetings for the workers' assembly of the unit and two for the enterprise. However, the SME provides for extraordinary meetings in the case of emerging problems at the request of at least two thirds of assembly members, or at the request of the general manager of the enterprise or the unit, the managing council and the chairman of the assembly. It must be noted that

the managing council can take part in the meetings of the workers' assembly in an advisory capacity.

Concerning the workers' assembly (WA) of the unit, some reservations about their correct functioning was expressed during the third conference on socialist undertakings where there was a general feeling that the workers' assembly of the unit felt cut-off from one of the enterprises, and did not feel that this assembly, being 'far' from the decision centres, could cope with the problems encountered during the two ordinary meetings. According to some commentators this is contrary to the concept of 'democratic centralism' that is supposed to operate in Algeria and which implies flow of information from the base to the top and vice versa and the necessity of frequent reports on the state of affairs.

One of the most positive aspects of the workers' assembly is that it does decide on the allocation of the financial results and has to draw an annual report which is sent to the supervisory authority. This report is interesting in that it does allow the ministry to compare the analysis done by the workers' assembly to the one done by management, who also has to send a report.

The charter recognises that the members of a workers' assembly may not possess at the start the experience and ability necessary to pass competent judgement on

technical or financial matters. Therefore to help them in this task, they can call upon advisors and experts outside the enterprise, provided they are members of the UGTA. Moreover, a number of standing committees have been set up, specialising in different areas of management. Those committees have to report to the workers' assembly and this may alleviate some of the shortcomings associated with the inexperience of some members of the workers' assembly.

It must be stated at this point that the whole system is considered to be a school for workers to enhance their skills and competence, this fact being reiterated at every meeting and in many parts of the charter. The standing committees which specialise in various organisational matters are an important component of the system.

#### The standing committees

The number of standing committees can vary between one and five according to the size of the workers' assembly and covers the following topics:

- (i) Economic and financial matters
- (ii) Social and cultural matters
- (iii) Personnel and training matters
- (iv) Disciplinary matters
- (v) Health and safety matters

Members of the Economic and Financial Committee (EFC), Social and Cultural Committee (SCC) and Personnel and Training Committee (PTC) are appointed by the workers' assembly with no management representatives. But the Disciplinary Committee (DC) and Health and Safety Committee (HSC) comprise an equal number of representatives appointed by the workers' assembly and management.

It must be specified that in the first three committees the chairman of the workers' assembly is the only link with management and the director in particular.

- The Economic and Financial Committee (EFC) -

"The EFC shall make a study on behalf of the assembly, of the economic and financial aspects of all production and management problems" (Article 4, Decree 74-251). More specifically, it has to assist and advise in any contracts made by the enterprises either at national or international level, and also could call upon any specialist in the country as far as he is unionised, to help them in their task.

This committee has to hold an ordinary meeting once a month, and also meets on convocation of the chairman of the workers' assembly.

The duties of the committee are:

- The draft development plan for the unit or enterprise.
- The estimates of income and expenditure.
- Project activities, particularly in connection with supplies, production and marketing and the relevant financial plans.
- The draft investment programmes.
- The annual progress report.
- The annual balance sheet, the general trading account, the profit and loss account.

The director has the duty to provide the EFC with all the information necessary to carry out its work and exercise its prerogatives, he also provides any necessary explanations when asked to do so.

- The Social and Cultural Committee (SCC) -

The task of this committee is to prepare on behalf of the workers' assembly a social and cultural policy for present and also retired members and their families. Decree 74.252 lays down the duties that are to be performed by this Committee.

- It discusses proposals, programmes and requests emanating from the committees established in the different units.

- Prepares a draft annual programme for social and cultural activities, including a programme for social institutions.
- Studies the way in which the enterprise or unit carries out its social obligations.
- Prepares draft annual programmes for its activities, equipment expenses and operations and submits them for approval to the workers' assembly for the enterprise.
- Submits an annual financial report on the way the budgets have been managed, which is subsequently signed by the director.
- Submits a progress report to each ordinary session of the workers' assembly.

From the large array of activities shown above, it is obvious that the importance of the (SCC) is not negligible, on the contrary it concerns every single member of the organisation. The financing of this committee is done through a fund accumulated by a compulsory contribution of the enterprise at a rate varying according to the enterprise activity. No specific minimum rate has been set but to give some idea, the rate that is in application in the private sector and fixed by Decree 75.67 amounts to 2.5% of the total wages.

#### - Personnel and Training Committee (PTC) -

This is an important committee in that the future success of the SME as a school of apprenticeship depends on how this committee effectively performs.



Many tasks are performed by this committee on behalf of the workers' assembly:

- It prepares personnel forecasts showing the scale of external recruitment, the number of posts to be filled by internal promotion and the level of training required.
- It examines the validity of recruitment procedures and if need be, proposes changes to those procedures.
- Supervises the work of the training department and in particular assesses the manner in which training contracts are performed.
- Comments on any changes to the wage scale, bonuses and overtime issues.

More importantly this committee has to decide on the share of profits that can be distributed. As can be seen this committee has many commitments. Despite the importance of those commitments, there is only a maximum of five members that can take part in the proceeding. Therefore there is a danger, considering the task that is faced, that recruitment and promotion operations may be delayed.

- The Disciplinary Committee (DC) -

As we mentioned at the start of this section this committee consists of six members appointed by the workers' assembly and six members appointed by management. It

elects its chairman from amongst its members. No dismissal can be carried out by management without the approval of this committee. By and large its main duty is to examine any breaches of labour discipline and suggest penalties.

- Health and Safety Committee (HSC) -

This committee consists of between two and five members appointed by the workers' assembly and of the same number appointed by management. The chairman of this committee is the director.

Decree number 74-255 indicated that "the safety and health committee shall ensure that the statutory health and safety standards are complied with and shall suggest whatever improvements it considers desirable". It also plays an important role in setting up training programmes in fire fighting and first aid. It holds enquiries into employment accidents and compiles statistics on accidents and occupational diseases.

The Managing Council  
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The managing council is the highest authority. Decree 75-149 sets the number of participants at between nine and eleven at enterprise level and between seven and nine at unit level. The council comprises the director, who acts as chairman, his immediate assistants (usually heads of departments), and one or two repre-

sentatives elected by the workers' assembly from among its members.

This council meets at least once a week and as many times as the director deems necessary.

The duties are stated in a lengthy article of the code and charter of the Socialist Management of Enterprises. Article 59 is merely a list of all duties compatible with the management function. The interesting point to note is that members of the managing council may be removed from office if inadequate results are attributable to bad management. An important reform to the 1971 act embodied in a decree promulgated in 1975 specifies that "The managing council should necessarily refer to the deliberations and recommendations of the workers' assembly before taking any decisions. Failure to do so will result in a nullification of the decision in question" (Decree 75-149).

The above are the main bodies participating in the Algerian model. For greater clarity the table that follows is included.

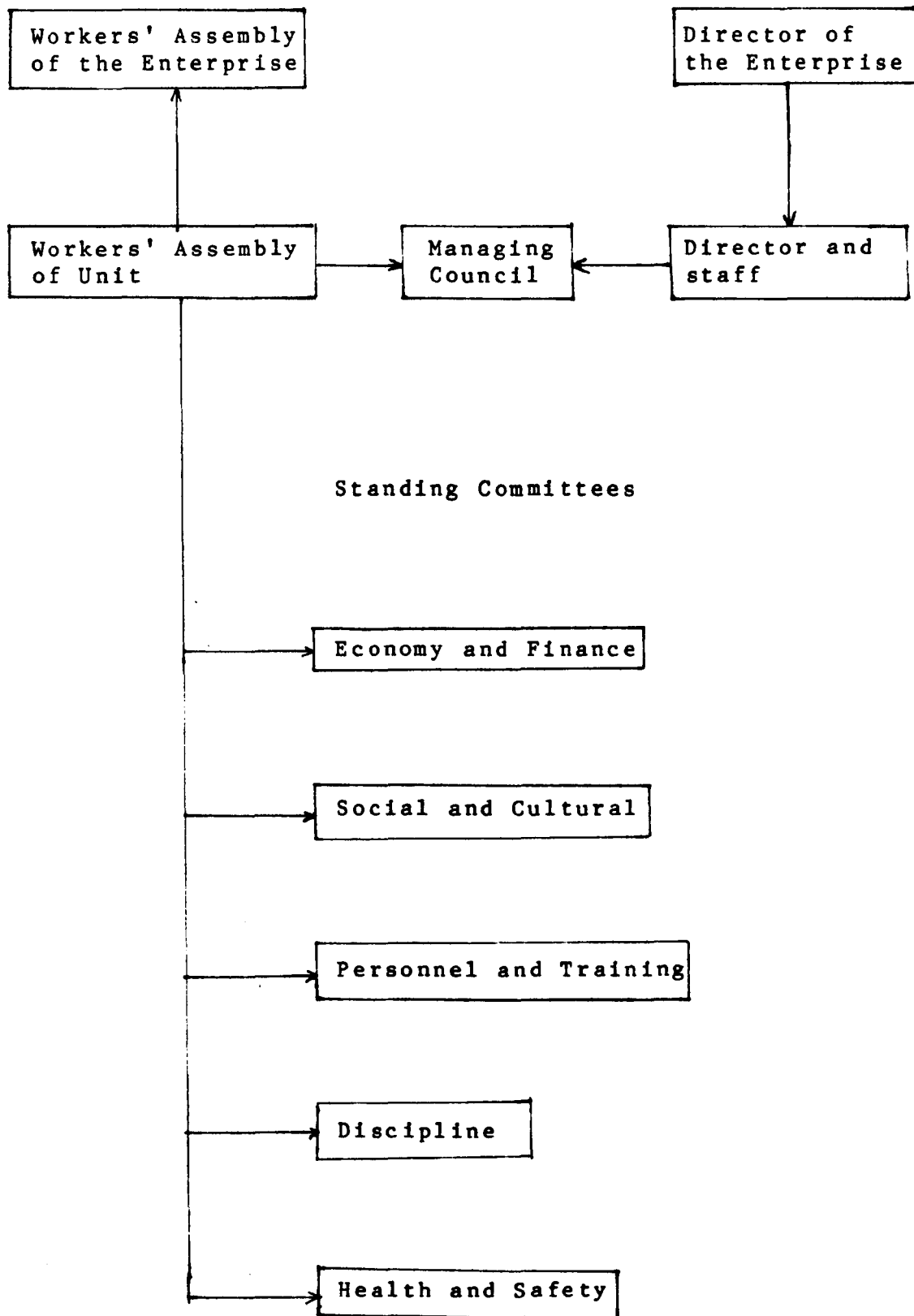
In the coming sections there will be a brief overview of the financial and wage structure of the socialist enterprise and lastly some concluding remarks on the implementation problems that arise from the procedures that are in operation.

NAME OF BODY	NUMBER	NOMINATION	TIME ALLOWED	MEETING FREQUENCY
Workers' Assembly	7 - 25	Elected by workers of the enterprise or unit	3 years	2 meetings a year (in units, 4 meetings a year)
Standing Committee				
The EFC	3 - 5	Selected by the WA	3 years	One meeting/month
The SCC	"	" "	"	" " "
The PTC	"	" "	"	" " "
The DC	6 - 12	3 - 6 selected by the WA 3 - 6 selected by management	"	" " "
The HSC	4 - 10	Selected from both the WA and management and includes a doctor	"	Whenever situation dictates
The Managing Council	9 - 11 in enterprise 7 - 9 at unit level	1 - 2 members from the WA and the rest from management	Continuous-subject to supervisory authority	One meeting a week

EFC - Economic and Financial Committee  
 SCC - Social and Cultural Committee  
 PTC - Personnel and Training Committee

DC - Disciplinary Committee  
 HSC - Health and Safety Committee  
 WA - Workers' Assembly

SME MODEL



## The Finance of Socialist Enterprises

The enterprise holds a capital which is fixed by its supervisory authority, in conjunction with the ministry of finance. The original capital comprises the funds that the state has allocated after the nationalisation of foreign companies and also funds that have been acquired subsequently by the enterprise itself.

The most important problem that arises is how to determine that organisations are making the "best use of the funds that they have been allocated". As stated earlier, the self-management charter made the notion of efficiency imperative when stressing that members of the managing council could be dismissed if 'insufficient' results are attributable to bad management.

In many socialist countries the notion of accounting profit is still paramount and often conflicts with the requirements of a society based on human rather than monetary values. This does not mean that financial aspects should be ignored, it is only implied that within a socialist society the notion of efficiency should be revised. In a capitalist society the notion of efficiency is rather different, the investment that a shareholder undertakes will only be of value to himself. In this case the efficiency criteria is estimated without any reference to the whole economy. In other words the return that this particular investment will bring to the economy as a whole leaves the individual investor indifferent.

Because of constraints in the public sector some enterprises operating in the steel industry (as will be shown in the case study) and in transportation are facing huge deficits. Thus, if the accounting profit is to be the only criteria, many enterprises, despite being 'efficient' would obviously not enjoy any additional income in the form of distributed profits. This situation resulted in disparities between the various units and enterprises, and among other things to key and competent personnel joining the most profitable companies such as the ones operating in the oil industry.

In Algeria there have been attempts at resolving these problems by setting up 'The National Fund for the Redistribution of Profits', to which all profitable enterprises contribute and in turn this fund is redistributed more equally among all enterprises. However, the evaluation of results and its eventual redistribution will, additionally to profits, take into account other parameters. Those variations have been introduced by Decree Number 82-185 in May 1982 and consist of:

- Production
- Productivity
- Commercial effectiveness
- Rate of use of production capacity
- Level to which investment programmes have been met

The share of the results available for distribution should be equal to a third of the total income and should not exceed 15% of the total wages (excluding bonuses and incentives). Let us now see briefly what the wage structure is.

Wages are determined on the understanding that the basic wage cannot be lower than the National Guaranteed Minimum Wage.

- The wage for the job : Consists of the basic wage and, when applicable, a series of allowances and bonuses such as; shift and danger allowance, overtime and individual bonuses which vary according to the level of attainment of productivity targets.
- Local allowance : Intended to encourage workers to take up positions in isolated areas.
- Collective and complimentary remuneration such as collective productivity bonus and profit sharing.

In conclusion it can be said that the implementation of SME has been very slow. Since the first pilot experiment at SN Metal in April 1972, the scheme now applies to 110 enterprises of the public sector, organised in 1,200 units and covering approximately 500,000 workers (statistics collected from a speech of President Chadli in his opening address to the Sixth Congress of the



UGTA on 12 December 1982). This slow pace has been partly due to the fact that the authorities intended to avoid the disillusion created by the first scheme (autogestion) which collapsed partly because the administrative and legislative framework was inadequate to meet the requirements of a socialist society. Thus while the process of implementation was taking place, the ideological and legislative framework was being reinforced. With respectively the 'Charte Nationale' spelling the ideological and political orientations of the state, and later, with the 'constitution' which defines its legal and organisational principles and reaffirms an irreversible support for the Socialist Management of Enterprises.

As a final contribution to this chapter, I would like to make some general comments on some shortcomings of the 'Charte et Code de la Gestion Socialist des Entreprises', notably on the composition of the managing council and some procedures that regulate relations between the director and the workers' assembly.

As we have seen earlier in this chapter there is an imbalance in representation between management and representatives of the workers' assembly. Indeed whereas the director can have as many assistants in the managing council as he wishes, there is by contrast only provision for one or two workers' representatives. Moreover the democratic process seems to be further hindered by the fact that those assistants to the director are nominated rather than elected.

Also there is no mention in the Charter of SME or in later amendments, of the procedures that are to be adopted if the director of the unit or the enterprise refuses to carry out the recommendations or even to report back to the workers' assembly on all issues that are to be taken as he is asked to do by law. In the two instances, the only unofficial procedure which is known, is for the president of the workers' assembly to inform his union or the party.

COMPLEXE D'EMBALLAGE METALLIQUE - A CASE STUDY

Introduction

A preliminary questionnaire was designed in order to select an organisation that was appropriate to the requirements of this research. For that purpose about 25 organisations were approached and from those, only five answered the questionnaire appropriately. After enquiry, it appeared that the major reasons for not answering were either that the participative schemes were not fully operative or that the organisations did not have the facilities to accommodate the research that was to be undertaken subsequently.

During the same period I had very extensive talks with members of the Algerian national trade union (UGTA: Union Generale des Travailleurs Algeriens) as well as with members of the Ministry of Labour about the problems of implementing the participative scheme, more generally about the state of the economy and the changes that are taking place with regard to the 'restructuring' scheme (I have already discussed the nature of this scheme in chapter 4). More importantly, these talks contributed to a better understanding of the complex relations that takes place between unit, enterprise and ministry.

For the case study, a unit in the steel industry producing metallic packages was chosen, in order to assess how the principles laid out by the SME charter have been practically translated. This organisation fulfils all the requirements to make it a good representative of the Algerian situation.

- This industry has been known to have a good record in industrial relations and the SME scheme has been introduced relatively quickly.
- Before the restructuring scheme in 1983, this unit was part of SNS (Société Nationale de Siderurgie), a corporation of 40,000 workers, second in size in Algeria.
- The newly formed EMB (Entreprise d'Emballage Métallique) is the exact replica of the previous division and comprises the same number of divisions, now called units.
- The unit selected, CMB (Complexe d'Emballage Métallique) with its 2,000 workers, is the most important but also the oldest in the metallic packaging industry.

Before the analysis I would like to comment on the reasons that led to the restructuring of SNS into small 'independent' enterprises which led to the creation in early 1983 of the aforementioned EMB.

A decision at national level to have a restructuring of all major corporations occurred when the SNS announced a staggering 8.2 billion Algerian Dinars deficit in 1980. Of course there was already a general feeling of unease prior to that period and a number of meetings at high level were pointing out the dangerous levels of deficit that many public enterprises were facing. It is true that some of the nationalised industries which hold a monopoly over their activities became unmanageable. These huge corporations were experiencing some encroachment in their activities with the result that the control function became completely redundant. As far as the SNS was concerned the 8.2 billion AD deficit in 1980 was due to various factors which admittedly the corporation was not all to blame for.

They were internal productivity problems mostly encountered by the steel production complex of EL Hadjar, employing 12,000 workers. Apart from stoppages due to breakdowns of equipment (we have already mentioned in chapter 4 the dangers related to high technology industries), there were also some quality control problems. We will see that CMB (Complexe d'Emballage Metallique), the unit to be studied, was encountering similar problems although on a lesser scale. Furthermore, the acute financial problems of SNS were partly explained by the fact that the recovering of debts was slow, if not impossible.

The legislation specifies that the outstanding debts must not exceed 90 days, however the present rate is up to seven months and the amount to be recovered from the various national enterprises and local authorities is two billion Algerian Dinars. Still on the financial side, high stock holding costs were also partly to blame. Discussions with staff revealed that these high costs were due to the fact that the frequent shortages of raw material led the various divisions of SNS to overstock in order to avoid breakdowns in production. However, the most important reason for the deficit was due to the fact that the Ministry of Heavy Industries imposed a system of fixed transfer price which binds the SNS to sell its output at prices which are often just equal if not lower to the cost of production. This gap between world market prices and national prices was supposed to be compensated by the government through what is called 'The Algerian fund of economic intervention'. However, this fund hardly made any transfers to the SNS.

As mentioned above, most of the big national corporations were split into small organisations and now the former SNS is composed of 15 completely independent enterprises separated on a product basis. Let us examine briefly the previous organisational structure of SNS.

The SNS employs 40,000 workers and had 4 functional departments being Personnel, General Administration,

Finance and Planning which main tasks are to organise, co-ordinate and control all the activities of the Company and maintain external relations with the Ministry of Planning and any other agencies.

- Four operational divisions are:

- + Central equipment; in charge of co-ordinating investment projects.
- + Steel complex of EL Hadjar.
- + Transformation group comprising 5 divisions
  - \* Tubes and transformation of flat products
  - \* Transformation of long products
  - \* Packaging
  - \* Industrial gas
  - \* Recuperation
- + Commercial group also comprising two divisions
  - \* Import - Export
  - \* National Sales

The main thrust of SNS policy was decentralisation, the unit is the smallest component in this structure but also the most important. The role of the division was to regroup activities using the same technology and to co-ordinate the different units. The division manager has the sole responsibility for ensuring that the

various units meet the objectives assigned to the corporation as a whole.

The importance of the corporation in terms of its personnel and complex organisational structure seems to have prevented the SME from operating smoothly. It appears that the application of the rules embodied in the SME Charter could not operate effectively within the framework of SNS. For example, it is impossible for one person to participate in two different managing councils but considering the sub-divisions of SNS, this rule could hardly apply. Also considering that SNS has more than 25 units, rule 72-47 of the 3 March 1972, setting up participative procedures, was not effectively applicable in involving all units which resulted in creating a vacuum between what was termed as 'intermediate structures'. A motion derived from a seminar chaired by the Minister for Heavy Industries stated that those intermediate structures are not able to collect the views of workers as there is no SME scheme provided for these structures. (Ministry of Heavy Industries, 1979).

However, even within the structures where SME has been operating, a slowing down of the activities of the workers' assemblies and of the various commissions had been noticed. To that effect, a circular issued by the supervisory authority on the 15 October 1981 asked the SNS to remedy this situation by making sure that the participative process is not impaired.



As noted earlier, this enterprise is part of the former Metallic Packaging Division and has reached a completely autonomous status in January 1983. Initially, the division was created in an effort to regroup the activities of the various units operating within SNS and which specialised in metallic packaging. The national market for these products was growing ostensibly in the industrial and food market. The most important customer is the National Gas and Oil Corporation. However, although less important, the food market composed of national and small private companies, constituted a non negligible revenue for this division.

The advantage the newly formed EMB provides, resides in the fact that it is the exact duplicate of the former division as far as the number of its units is concerned. This will allow us to have some worthwhile comparisons over a number of years.

EMB comprised 4,021 employees composing three categories, the first group comprises 3,255 ordinary workers, the second group 605 middle management and the last group, 150 executives. They are working in seven separate units which produced a total of 59,000 tonnes in 1983, an increase of 13,000 tonnes as opposed to the year 1980 and an increase of 32,000 tonnes since the creation of the division. Production encompasses most

metallic packages necessary to the oil and food industries and they range from the big soda drums and gas cylinders to sardine tins.

- Skikda (East Algeria) created in 1981, produces 180/225 soda drums for Sonatrach, the national oil and gas corporation.
- Batna (South East Algeria) created in 1978, produces 11/13kg gas cylinders.
- Mascara (West Algeria) created in 1975, is next to the vast oil refinery and produces drums destined to the oil industry.

All the above units produce exclusively for the oil and gas corporation, the following units mostly satisfy the demand of national and private enterprises in the food industry.

- Unité Transformation Aluminium (Algiers) which main production line is aluminium kitchen utensils.
- Unité Azzaba (East Algeria) producing various tins and cans for the food industry.
- Unité CMB - one of the most important units in the Country, not only because of its size, but also because it produces a wide range of products, not

only for the food but also for the oil and gas industry. This unit will be studied in more detail in the next section.

#### Incentive Schemes in Operation

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All enterprises part of the SNS (Société Nationale de Sidérrurgie) introduced 2 types of incentive schemes since the 1 July 1983 and these are still in operation.

- Prime de rendement collective - PRC (Bonus related to collective output).

This bonus or penalty scheme applies to all production departments. Every month there is a fixed output objective to be reached and it varies according to the department concerned. At the end of the month a bonus is distributed according to the percentage level reached, however, this bonus should not exceed 30% of the basic salary. In the calculations the criterias that determine the PRC are:

- Physical quantities
- Quality
- Security
- Maintenance

On the other hand, if the objectives are not met and are inferior to 60%, that is the level of attainment, there is a 5% cut in the basic salary. However, if the

penalty leads the monthly basic salary to be inferior to the guaranteed national wage, it is not applicable.

- Prime de rendement individuelle - PRI (Bonus related to individual output).

There are two yardsticks varying in notation from 0 to 10. In order to calculate this bonus that is distributed every quarter, the first yardstick takes into account four criteria which are in points:

- Quantity of work with a maximum of 3 points
- Quality of work with a maximum of 3 points
- Attendance with a maximum of 2 points
- Discipline with a maximum of 2 points

The second yardstick also covers a notation that varies from 0 to 10 points and represents an average of the PCR during a quarter. Therefore, a notation equal to ten represents a PCR of 30% as reward to a level of attainment of the objectives equal to 120%. The first yardstick will account for two thirds of the total PRI and the second one will account for one third.

## Complexe d'Emballage Metallique (CMB)

This enterprise, created in 1945, was, at the outset, a small family concern, producing tins and various types of cans destined for the food industry. It joined the present site in 1951 on the outskirts of Algiers, expanded its production capacity and created a new line producing drums. It was the only company in Algeria producing metallic packaging. The Company stagnated during the War of Liberation with no further investments undertaken during that period. It was nationalised in May 1967 and engaged into a vast radical programme of modernisation of its assets with 3 new production lines created in 1971, furthermore there was creation of a:

- Metal printing department in 1972
- Cooking oil cans production line and gas cylinders by the end of 1972.

By 1984 the organisation had expanded fairly well and integrated some of its activities. We can, without going into too much detail about the fabrication processes, distinguish four broad sectors of activities:

- Tinning Sector: producing tins for packing juices, jams, sweets etc. (food industry).

- Diverse Sector: producing various types of cans destined for the food industry but also paint and grease boxes for the chemical industry.
- Gas Cylinders Sector: producing 13kg gas cylinders.
- Drums Sector: producing drums destined for industrial oil. This sector is not very important and is due to be phase out.

Production has been increasing steadily since it was nationalised in 1967 (see details in Appendix 2). Production has more than doubled between 1970 and 1983 with the largest increase in the Tin and Diverse Sectors. We can notice in Appendix 2 that since 1972, date of the introduction of SME in CMB, production went upward significantly, however, if we compare those figures with the capacity, the ratios derived are a little disappointing. This low level of production is, according to some persons interviewed, due to the fact that they had to adapt from a semi-traditional to a highly sophisticated technology in certain areas, without any comprehensive training scheme to back-up these changes. To alleviate this problem would necessitate drastic action in terms of training which the organisation was not prepared to undertake. Also the different makes of machines originating from different countries which, it was found, often compose a production line, did not

contribute towards resolving the problems mentioned above. For example, in a production line of the diverse sector there were machines from Germany, Italy and Switzerland; we can imagine the maintenance nightmare that can be faced.

While visiting the different areas of the factory it was noticed that the stocking problem was very acute indeed, stacks of finished products were creating problems of mobility within the factory, several foremen stressed the fact that this state of affairs could lead to stopping production lines.

CMB is situated next to a railway station, however, management deplored the fact that there was not enough railway wagons allocated to them. In 1983, the allocation of wagons was only 48% of the requirements and even though trucks are taking a good percentage of the production, most customers are behind schedule in receiving their orders and there are times when orders are even cancelled altogether. As a matter of fact, the packaging industry faced the major problem of forecasting a demand that is subject to strong variations because the level of harvesting achieved determined in turn the food industry's demand. For example, in 1978, the tomato harvest was extremely bad and this led CMB to alter its production priorities at very short notice.

Raw material deliveries from the steel complex of EL Hadjar does not always meet the quality requirements of CMB, this coupled with frequent delays in delivery time led to some stoppages. Minutes from the CEFU (Economic and Financial Commission) mentioned the problems we stated above, an extract is reproduced below:

"Our Organisation is still encountering each year the same problems:

- External constraints are wasting all our workers' efforts and lead sometimes to perturbations in the social climate.
- In order to avoid that, our members support every year the brunt of these constraints, we ask all parties concerned to solve, once and for all, these problems. In the meantime, in our unit, we ask for the objectives to be revised considering this state of affair".

(Minutes of the CEFU, 26 June 1983)

The CEFU, after these observations, suggested new methods of calculation, with ratios taking account of the impediments and hence asking for two years production and productivity parameters. These propositions are still under consideration at higher levels, that is headquarters and supervisory authority.



The organisation is based on a staff and line structure which is not usual to find in a medium size organisation. The main explanation given was that there was to be compliance with the rest of the industry and as a former division of SNS, standardisation of structures was the priority. This, incidentally, reaffirms the fact that units of a group of companies tend to adopt similar structural features of the parent industry.

The most important department in terms of size (people employed) is what is known as the 'white iron and drums' department, followed by the industrial security and technical department and finally the gas cylinders department. All departments have services that relate directly to their particular activities and have accounting and personnel departments which are functionally related to the staff which, in turn, is under the direct authority of the unit director. It must be specified that although the training function does not appear in the abbreviated organisation chart shown in Appendix 3, it is part of the personnel function.

There are 1,902 workers engaged in different activities which have been broken down into Production, Maintenance, Administrative and Health and Catering (see table overleaf).

# STAFFING LEVELS

Activity	Management	Middle Management	Lower Levels	Total
Production	15	79	1057	1151
Maintenance	12	83	289	384
Administra- tive	13	70	230	313
Health and Catering	4	12	38	54
Total	44	244	1614	1902

The different hierarchical levels are classified according to a scale that is valid for all employees operating in the heavy industry (see Appendix 4 for further details).

- Category 01 to 09: for lower level workers, starting with the ordinary worker (MO) with no qualifications at all, up to the highly qualified worker (OPHQ).
- Category 10 to 13: starts with the foreman, up to the workshop supervisor.
- Category 14A to 18: comprises all executives, superior technicians and engineers.

Although the Company needed many foreign technical advisers after its nationalisation, it is now completely Algerianised. As far as the level of training is concerned, there are contracts with the suppliers to provide a certain level of training on new equipment, there is also internal training on the shop floor. Training periods vary between 12 and 15 months, it is, however, undertaken on a very low scale.

The level of employee turnover is 20 persons/month which is quite high, however this is due to the fact that workers' have only temporary accommodation, because of the very acute housing problem Algiers encounters (we will come back to this issue in a later section). At present, it is very unskilled workers that constitute the largest percentage of personnel turnover. Absenteeism amounts to 7% and the lowest categories also account for the largest proportion, for example, in June 1983 middle and high level management constituted only 0.74% whereas lower categories constituted 6.47%.

The participative system was instituted in 1972 and after a slow start seems to be operating very effectively.

- The Workers' Assembly comprises 15 members and, apart from the President who has a good level of education, most other members have very low levels and participated in the War of Liberation

(Moudjahidines). The assembly meets every three months.

- The Managing Council holds weekly meetings debating day-to-day management and any future objectives for the plant. It comprises two elected members of the workers' assembly and three nominated representatives of management. The director of the unit is president of the Managing Council and also president of the Hygiene and Security Commission. It holds office for 3 years.

### Methodology

As specified earlier in this chapter, a preliminary questionnaire was designed in order to select an organisation that fulfills the requirements of the research (see appendix). A second questionnaire was designed for use in the selected unit of the metallic packaging industry.

The summer of 1983 was spent getting acquainted with the technico-administrative system of EMB and conducting a series of interviews at unit and enterprise level in order to perfect the measure instruments. Spring 1984 saw the final edition of the questionnaire distributed within the unit. It was decided that self-completion questionnaires would be the best choice for one person conducting a research of such a scale, a

considerable amount of formal and informal interviews had already been conducted during the previous visit. The response to this research was satisfactory within the unit. However, some difficulties by lower level workers in completing the questionnaire, because of illiteracy problems, led to the reframing of some of the self-completion questionnaires to interview form.

Below is a brief note of the interviews, both formal and informal, conducted in 1983 and 1984:

Year 1983 - Preliminary Study -

- Twenty interviews with civil servants and experts in the Ministries of Labour, Transport and Heavy Industries.
- Ten interviews with members of the national trade union (UGTA).
- Five interviews with members of 'Société Nationale de Sidérurgie' (previous enterprise before EMB was constituted), including the general manager.
- More than 90 interviews at all levels (enterprise and unit):

At enterprise level : Talks with some members of the workers' assembly, the personnel and training manager and also the general and administration manager.

At unit level : Interviews with all members of the workers' assembly, all managers and heads of department. Also with most foremen and workshop supervisors during my visit to the plant. Including of course a great number of shopfloor workers.

#### Year 1984 - Final Study -

Additionally to final interviews with all heads of departments during the distribution of the questionnaires, due to problems encountered mostly by lower level workers in completing the questionnaires, I interviewed personally 28 respondents and recorded their answers. Moreover I also completed eight of the questionnaires distributed to members of the workers' assembly after having interviewed them, including the president of the workers' assembly of the unit.

The first impression gathered was that despite constant insistence by the researcher that confidentiality would be kept, there were still reservations, particularly at lower levels, that this would be the case. It was pointed out to me that Item 3 of the questionnaire would allow respondents to be traced. A great effort

was deployed on insisting on the neutral position of the researcher as opposed to a research that can be commanded by management or headquarters, and reminded them that the Workers' Assembly accepted the principle of the research.

A sample of 150 persons was chosen initially, however for various reasons only 122 questionnaires were collected and this despite a distribution strategy that was agreed with the training department manager and some workers' representatives. The questionnaire concentrated on hierarchical rather than departmental differentiation because the hierarchical sub-group constitutes a fundamental basis for analysis rather than departments which are mainly differentiated on an administrative basis (Tannenbaum, 1968). Also our choice is more pertinent considering that one of the objectives of this thesis is to examine the distribution of control as perceived and desired by members at the various levels of the hierarchy.

Three categories of personnel were defined according to the scale that was operating at CMB and also throughout most heavy industrial organisations (see appendix 4):

- Low level ranking - Category 1 to 9 with  
1,614 employees
- Middle management - Category 10 to 13 with  
244 employees

It was decided that 25 high ranking workers, 45 middle management and 95 low ranking workers would be questioned including 15 members composing the Workers' Assembly and members of the Managing Council. The questionnaires were distributed to three sectors of production pro-rata to the number of employees composing each sector. They were handed to the various heads of department composing each sector who in turn handed them down the hierarchy. Collection of the questionnaire was conducted in the same manner. Even though time was spent with each head of section or department going through the questionnaire and seeking if there was any problem in understanding it, the low return was disappointing - there were some departments that did not respond at all to the requests. As said earlier, departments where illiteracy problems were an obvious impediment in filling the questionnaire, were treated separately with the selected respondents being interviewed personally.

As mentioned before, despite these efforts in getting as many respondents from the theoretical sample planned, only 122 returned their questionnaire. It shall be noted that an individual letter to each department had been despatched from headquarters, asking personnel to collaborate with the research to their best ability. (See Appendix 6).



## The Questionnaire

Fourteen items were drawn in order to evaluate the distribution of influence within CMB, the method adopted is different from the original analytic technique known as control graph and developed by (Tannenbaum and Kahn 1967, p.129). Before listing these decisions let us define what is a control graph? As first designed the control graph is an analytic technique which plots control on the ordinal axis along a continuum ranging from a great deal of influence to no influence at all, against hierarchical levels on the abscissa axis. The average respondents perception of power and distribution of influence is then mapped to obtain the curve - it is quite a simple process. Respondents are asked how much influence do (top, middle, low) hierarchical categories have and what happens in a particular organisation to determine -actual control-; and how much influence they think (top, middle, low) hierarchical should exert in what happens in the organisation to determine ideal control. All answers are recorded on the five point scale of influence continuum ranging from "no influence at all" to "a lot of influence".

Tannenbaum sees the control graph as "... providing a convenient device for characterising and thinking about control in social systems. Organisations differ with respect to distribution of control and total amount of control exercised within them" (Tannenbaum, 1968).

More specifically, "This control curve is supposed to measure two variables which can be used to describe an organisation. One is the slope of the curve expressing the distribution of control, the other one is the total amount of control in the organisation. 'Total Control' is the area below the control curve" (Tannenbaum and Kahn, 1967). Gundelach and Techzchner (1976), its most ardent critic, found three advantages:

1. It is a technique which is extremely easy to apply, only very simple calculations are required to draw the curve.
2. It is a very pedagogic method as its meaning can be immediately understood and it is easy to compare the distribution of influence in two organisation by means of two control curves.
3. The control curve gives rise to some fruitful concepts.

At the outset this method, although extremely useful, was used rather indiscriminately by a large number of researchers. The way it was applied at national or for cross national comparisons without considering some of its shortcomings was rather disappointing, although some interesting results have been derived. The first basic shortcoming is to do with the broad generalisation it involves; indeed respondents may have a different perception of influence in different areas of

decision making and therefore, asking how much influence a certain category of personnel has on what happens in an organisation in general, is to assume that all respondents of a specific category have the same perception, and that the average derived is reliable. Therefore it can be surely stated that the level of approximation involved, is reaching a level which may question the method reliability.

Taking into account the sound criticisms expressed by Abell (1975 and 1979) and Gundelach and Techzchner (1976), we have modified our approach to the control graph by taking into account different key decisions ranging from short term to long term and relevant to the various policy areas. These are:

- |                                |                                      |
|--------------------------------|--------------------------------------|
| - Training                     | - Overall organisation objectives    |
| - Firing - Hiring              | - New investments                    |
| - Health & Safety              | - Purchase of new equipment          |
| - Promotion                    | - Work arrangements                  |
| - Creation of a new Department | - Setting of yearly production plans |
| - Distribution of profits      | - Creation of new products           |

The choice of decisions was based on several requirements:

- No encroachment between decisions.

- Relevant to all categories of employees.
- Include a wide range of issues conflictual as well as non conflictual ones.
- Particular application to the organisations studied.

Different categories of personnel were asked "how much influence do the different groups have" to determine their perception of actual control and "how much influence the different groups should have" to determine preferred control. These questions were asked about 12 specific decision areas cited above and concerned; higher levels, medium levels, lower level workers and participatory bodies. Moreover respondents were also asked to evaluate the influence of outside groups such as the enterprise and supervisory authority (Ministry).

The various groups mentioned above were clustered according to the categorisation procedure which operates within the heavy industry (see appendix).

Finally, a more global question (Item 79A and 79B) was set in order to get respondents to answer two questions.

1. "In general, could you tell me how much influence do the following groups have on what happens in this plant?"

2. "In general, could you tell me how much influence should the following groups have on what happens in this plant?"

This notion of global volume of power was derived from Tannenbaum (1968) and has been replicated in a number of studies (Russell, Hochner and Perry, 1979); (Kavic, Rus and Tannenbaum, 1971); (Rosner et al, 1973) and (Bertch and Obradovic, 1979). This will allow for some fruitful comparisons with the Algerian situation.

All responses ranging from Item 79A to 91B were marked on a 5 point scale ranging from (1) - No influence at all, to (5) - A very great deal of influence.

Evidently a 'power equalised distribution' should mean lower level workers having as much say as higher levels in what happens in their organisation. However this situation is seldom encountered if we are to consider a dynamic system where the process of change has just started. Indeed if the Algerian framework is considered, deeply entrenched traditional views of organisation, that is organisation structures inherited from the colonial period, would not disappear suddenly. Therefore we will postulate that findings suggesting relative increase in power for lower level workers, will be considered as satisfactory. This is because within the same setting of participatory structures the system will eventually achieve power equalisation in the long run.

A second set of questions was destined to assess the attitudes towards SME and participation in general. Items 61 to 77 postulate a series of statements that have to be answered by the respondent on a three point scale ranging from (1) - agree very much to (3) - not at all. Some statements correspond to outcomes that have been assessed by various researchers as being positively or negatively correlated to participation. More specifically Items 67, 68 and 69 measure the amount of satisfaction within SME. Other variables that have been proved to be an outcome of participation and largely known to be detrimental to the future success of participation have been introduced such as Item (77) - 'lack of competence'; Item (73) - 'bureaucracy' and finally Item (72) - 'waste of precious time in reaching decisions'.

The question is: to what extent do you agree with the statements below.

A third set of questions was designed in order to assess the level of communication within the undertaking and with the environment. We have chosen to ask specific questions to managerial staff (Items 34 to 50) and members of the Workers' Assembly (Items 51 to 60). Question 34 asks the respondents to define in less than five lines the advantages of having good communications within the organisation and its environment. Question 56 was set in order to assess whether workers' repre-

sentatives thought that fellow workers benefitted from the training role in management that SME was supposed to bring.

### Interviews

During the Summer of 1983 I had a series of extensive formal and informal interviews with all departments in the organisation. This exercise was undertaken for two major reasons. Firstly, to redesign the preliminary questionnaire that was sent to the organisation and secondly, appreciate the level of satisfaction and motivation which the final questionnaire was not to specifically assess. This phase proved to be invaluable in the sense that it allowed us to visit each department and understand the complex system of production that was in operation for the manufacturing of the various products. I had an approved programme of visit that was sent to all concerned by the personnel department (see Appendix 5).

The first impression that one gets is the large amount of stocks that are awaiting collections or deliveries; even next to the various assembly lines and far away from the stocking areas, this problem was referred to earlier in this chapter.

It must be specified that there is no published information whatsoever concerning either the performances of the organisation or a presentation of the activities it

engaged in. All the data exposed in this chapter was gathered within the various departments. One would have expected that in an organisation of such a size this type of information would have been more easily available. More so in an organisation that is considered to fully adhere to the SME scheme which values transparency of information as a priority. Most employees interviewed complained about the fact that they were unable to get hold of the organisation chart. I personally encountered some difficulties in gathering data, because of management reluctance to disclose some information. However, it was possible to get some vital data from members of the Workers' Assembly, more specifically the economic and financial committee which was very helpful in that respect.

There was also a general feeling among workshop supervisors that although a high priority has been given to investments in new machinery by the organisation, the choice of equipment was often incompatible with the equipment already in place. This created, as I stated previously, huge maintenance problems and although the level of training was higher than in other units there was still a lack of skilled and well-trained technicians. Most employees that were directly involved with the production process complained about the poor quality of raw material which led to more imports and hence greater costs of production. A great proportion of foremen who have been working in this unit long before the nationalisation admitted that they could not



adapt to the radical technological changes that are taking place, and the absence of training made this situation worse.

The most important grievance concerned housing, although this grievance is not an issue in the west, most under developed countries encounter this problem. More so in Algeria where the concentration of big industries in and around the Capital accentuated the rural exodus. The salient element is that at all levels there was a recognition that solving this problem should be a high priority. I found that a number of employees were commuting from as far as 100km away and a great majority were living in temporary accommodation. This problem is expected to be partly alleviated by the new restructuring of the industry which will remove the large concerns from within the big cities.

Everyone I met was quite confident that if social problems were resolved this would lead to greater productivity than increasing, for example, the level of incentives that compose the 'PRC' and 'PRI'. There was a belief that matters have been improving since restructuring. It is considered that as a sub-division of the former SNS, decision making was delayed because of too many decision centres, however, now as an autonomous enterprise, they could take their own responsibilities. It is assumed that up to 1981 the level of satisfaction and motivation was very low but

it seems to be gradually improving. One would have expected however that the institution of SME in 1982 would have led to an increased motivation and satisfaction. Let us now examine the attitudes towards the representative bodies.

Most employees complained about the incompetence of the Workers' Assembly in dealing with management issues, according to them, management could force upon them any decision because they were unable to cope with the high degree of technicality that was involved in these talks. There was a common belief among middle and high level management that workers representatives were unable to play the role that the charter has entrusted them with. However, representatives believed that they were playing this role and it was only management that was trying to denigrate them. It is true that the level of competence within the Workers' Assembly, but for a minority, was fairly low and seemed to confirm findings from other countries that the major stumbling block in the smooth running of participative bodies is the low level of competence of workers' representatives.

However, they were commissions acting on behalf of the Workers' Assembly that were quite active such as the economic and financial commission which played a valuable role in briefing the assembly on some financial matters. This commission also included some medium level workers. Minutes from a meeting of the commis-

sion on the 26 June 1983 showed that these members were very much in command of 'the management jargon' by proposing alternative calculations to some financial parameters which take much more account of the situation within the unit; these parameters concerned production, effectiveness, capacity, use ratios and costs of production.

Everyone agreed that the Workers' Assembly of the unit should play a proper role and not confine itself to very superficial matters; this assembly should allow members with a higher level of education and experience to join, even if this includes people from managerial levels. Discussions with workers' representatives revealed that they were not opposed to their inclusions; however, there was an understandable fear that lower level members' interests could be jeopardised in the long run. Members of the Workers' Assembly agreed that some of their colleagues did not have the qualifications required but explained that the role of participatory bodies is to progress in a continuous learning process. Furthermore, many quoted article 25 of the SME Charter which states categorically that:

"The appointed members of the managing council and any workers who are direct or collateral relatives in the ascending or descending line of the head of the undertaking or unit shall not be eligible to stand for election".

Members of the Workers' Assembly complained that too much was expected of them from fellow workers that were eager to get promoted or have their social problems solved as quickly as possible. The fact that they were not always able to deliver attracted them some resentments from rank and file. It was, however, apparent from the discussions that everyone was in favour of the spirit of the SME Charter and that problems arising from the application of the scheme could only improve with the experience workers' representatives gain throughout their term of office.

Let us now examine some aspects related to the application of the Charter and which have been subject to criticism by representatives and rank and file.

- Parity of representation. Article 57 of the Charter allows a regrettable imbalance in representation within the managing council. Indeed in this unit there were four management representatives including the director against two representatives of the Workers' Assembly. In these conditions I was told it is difficult to have a fair balance in case of conflict.

- Power of the director. The director of the unit is a representative of the state, more specifically a direct nominee of the supervisory authority which has full power to direct and control. There were some reservations as to his allegiance if unit and national considerations were divergent, as a president of the board his role should be neutral. By definition 'no one single person should be entitled such vast prerogatives'. I was told that his dualistic role could prevent him from protecting units' interests first and foremost. Representatives however agreed that these reservations have not yet been realised as far as the director of this unit is concerned. And as far as there is neutrality in the proceedings their role will be not to apply the contesting style that operates in capitalist undertakings.

- The two workers' representatives on the managing board intended to play their role fully and did not expect to be an 'echo chamber' of the Workers' Assembly resolutions as is often the case in some other units.

The impression one gets from this series of interviews is that in this unit there is a lot of commitment from the elected members of the Workers' Assembly who receive mostly social (housing, pension, bonuses etc.)

grievances from fellow workers. They are also willing to assume to the full extent their role of co-managers of the units under circumstances that are not always favourable. Of course their role is made much more easier by the fact that there is absolute and complete transparency of information. There was however some regrets that there were not too many informal meetings, or at least the means to hold such informal meetings. The overall feeling was that within the framework of the SME the atmosphere between low ranking workers and management was satisfactory and in their experience representatives did not recall any grave conflict. The director of the unit had given the impression of someone who took account and implemented decisions of the Workers' Assembly. There are, however, reservations on the ability of elected members of the Workers' Assembly to be able to control an increasingly growing technocracy who, because of their ability to master the complex technological processes of metallic packaging have acquired a large amount of total power.

In this first stage and on the basis of the interviews conducted, I made the following hypotheses:

1. Although the unit studied (CMB) had a good record as far as participativeness is concerned, it was expected that the level of communication in general would be very low.

2. A hierarchical distribution of power more clustered around the top of the hierarchy was to be expected.
3. The majority of the workforce would have a very positive attitude towards SME.
4. There was a strong desire by lower levels to assume more responsibility, the low level of education and high rate of illiteracy would create conflicts between realising the ideals and workplace reality.
5. Lower levels would have less influence than managerial staff in technical matters; however, the latter would also believe that lower levels influence should be increased.
6. Representatives of the Workers' Assembly would feel far more 'alienated' than non-members.
7. Workers would like to be involved in participatory procedures.

## CHAPTER 6

### RESULTS AND COMMENTARY

Below is a presentation of the main characteristics of the sample.

#### PERSONNEL BY DEPARTMENTS

-----

	<u>Absolute Frequencies</u>	<u>%</u>
BAG	21	21.4
ST/SI	23	23.5
FBF	37	37.8
Admin	16	16.3
<u>TOTAL</u>	97	100%

#### LEVEL OF JOB

-----

	<u>Absolute Frequencies</u>	<u>%</u>
High	14	14.3
Medium	41	41.8
Low	43	43.9
<u>TOTAL</u>	98	100%

#### AGE

---

	<u>Absolute Frequencies</u>	<u>%</u>
Under 25	9	9.2
25 - 34	56	57.1
35 - 44	27	27.6
Over 45	6	6.1
<u>TOTAL</u>	98	100%



# LENGTH OF SERVICE

-----

	<u>Absolute Frequencies</u>	<u>%</u>
Under 1 year	3	3.1
1 - 3 years	9	9.2
4 - 10 years	50	51.0
Over 11 years	36	36.7
<u>TOTAL</u>	98	100%

# EDUCATION LEVEL

-----

	<u>Absolute Frequencies</u>	<u>%</u>
Primary School	18	18.8
Secondary School	58	60.4
Institute	6	6.3
University	12	12.5
Other	2	2.1
<u>TOTAL</u>	96	100%

It will be noticed that among sampled personnel 57% are aged between 25 and 34, the executive category constitutes only 7% of this total whilst the remainder was equally split between medium and higher levels. Also in the same (25 - 34) age bracket, 66% of the sampled personnel had worked in the same unit for more than 4 years which is an appreciable level suggesting a stable labour force. However, official records show that, an average of 20 workers out of 2,000 leave the unit each month due to problems arising from temporary housing; most of these departures are confined to the low categories of personnel who join the enterprise in the hope of being transferred to different geographical areas.

It has been noted in chapter 5 that the level of illiteracy was fairly high among lower level personnel. However, the survey reveals that about 60% of the sample had a secondary education, but this relatively high rate does not represent an accurate picture of the general trend. For obvious reasons, questionnaires were filled in by people who would be able to understand what was asked from them and therefore apart from a small percentage who I helped, there has been a necessity to rely on personnel with a reasonable educational level. This situation is one of the disadvantages of self-completion questionnaires, however this draw back has, it is thought, been counterbalanced by concentrating interviews on the categories which were most affected by this illiteracy problem, i.e. lower levels on the shop floor.

58% of sampled personnel was unionised, it is a very low rate considering that the national average is approximately 75%. It is interesting to note that only 17% of those who joined the union did so in order to be elected to the Workers' Assembly whilst 47% had joined in order to benefit from the various advantages one gets when belonging to a union.

### Communication

One of the objectives of various models of participation is to improve not only the vertical but also horizontal flow of communication. If the aim is to get

members to support the organisation and its objectives, a coherent and effective communication system is a standard pre-requisite for such a development. Moreover as Walker (1974) suggested, it is probable that the introduction of a new participative structure may change the patterns of communication in the enterprise. Works councillor and other representatives of workers will have more information than they had before and this may lead to members of the enterprise at intermediate levels to be bypassed by the new channels of communications.

As noted previously, a specific set of questions has been designed to assess not only communications within the unit (CMB) but also between units. To that effect two basic questions were asked, firstly "whether the introduction of SME gave the opportunity to know more about what was happening in the organisation". The responses were split in approximately half, out of a sample of 95 persons, 49% answered negatively and 50% positively, when these answers were cross-tabulated with the level of the job it came out that medium levels had the highest percentage of positive answers. But in general the introduction of the participative scheme had given all levels a sense of knowing more about what was happening in their organisation. (See table overpage).

Question: Did the introduction of SME result in having  
a better flow of communication?

	HIGH LEVEL %	MEDIUM LEVEL %	LOW LEVEL %	ALL %
YES	42	58	45	49
NO	58	41	55	50
n	12	41	42	95

This result may suggest that the level of awareness of many employees within this undertaking has not improved significantly as a result of the introduction of SME. One of the derivative objectives of the SME model is to improve the two way flow of communication in the enterprise. However, let us go into more details and proceed with the analysis; when asking respondents about readership of publications (Item 13, 14 in the questionnaire) 72% of respondents thought they would be unable to consult the annual report, senior management constituting of course the majority of those answering positively. In fact 90% of lower levels and 68% of middle levels thought they would be unable to consult the annual report; More surprising was the fact that when examining responses of Workers' Assembly members only 36% believed they could do so. Interviews with senior managers revealed that publications of this kind were very sparse and in the main confined to headquarters (enterprise level). As I mentioned previously, I

personally was unable to get hold of a copy when I conducted some interviews at enterprise level.

Preliminary research revealed that there was a genuine concern, from all categories and more importantly from members of the Workers' Assembly, about the shape of their organisational structure. It was decided to ask them whether they have access to the organisation chart. Only 43% of the total sample stated that they did, while only 58% of Workers' Assembly members answered positively. (See table below for breakdown of categories).

. Question: Do you have access to the organisational chart?

	HIGH LEVEL %	MEDIUM LEVEL %	LOW LEVEL %	ALL %
YES	92	49	21	43
NO	8	51	79	57
n	13	41	42	96

These low results as far as lower levels are concerned are in the main explained by the fact that organisation charts were unavailable to them. Moreover some members of the Workers' Assembly who did examine the chart admitted having great difficulties in getting hold of a copy.

As part of the favourable outcomes of participation, sampled personnel answered very positively to as to whether they "knew how their jobs fitted in this organisation", only 8% of respondents did not know. The table below shows a cross-tabulation with level of job.

Question: Do you know how your job fits in this organisation?

	HIGH LEVEL %	MEDIUM LEVEL %	LOW LEVEL %	ALL %
YES DEFINITELY	79	55	58	60
SOMEWHAT	21	38	30	32
NOT AT ALL	-	8	12	8
n	14	40	43	97

This result has been confirmed when this question was enlarged to the enterprise as a whole in order to determine whether there has been a wider interest in what the organisation was producing. A high percentage, 71% knew how many units comprised their enterprise and what was their production. A cross-tabulation of these scores with the level job is shown over the page.

Question: Do you know how many units comprise EMB  
and what they produce?

	HIGH LEVEL %	MEDIUM LEVEL %	LOW LEVEL %
YES	92	66	68
NO	8	34	33
n	13	35	43

It can be noticed that 68% of lower category personnel were aware of the number of units and their production, however, one should not attach too much significance to these scores because they may be explained by the fact that there was a very big and intensive national campaign of publicity prior to the restructuring of enterprises explaining how the new enterprise would be constituted and the advantages of such a procedure.

Furthermore, when respondents were asked if they perceived they had enough information to get their job done properly, 81% answered affirmatively.

In order to assess the level of consultation within the unit a specific question was designed in order to find out their judgement on the leadership style. It appears that there is a high rate of consultation, with 74% of the middle management category estimating that "often" or "very often" reasons were given by higher

management on why modifications occurred in their job and 18% answered "sometimes". A similar trend is apparent for lower level workers as regard to their views concerning middle management, with 56% estimating that middle management gives reasons "often" or "very often" and 26% sometimes. However, interviews revealed, particularly at lower levels, that although they were fairly satisfied with the amount of consultation, they had doubts as to whether it was a two way flow of communication. In fact a semi-skilled shop floor worker specifically complained about the fact that when some suggestions are made, they are rarely, if never, taken up by the superiors. He illustrated his comments by an incident that had occurred "... After a couple of months, a very sophisticated machine I was operating broke down due to a wrong setting, despite warning my immediate superior several times about the problem prior to the total breakdown and suggesting that the supplier should check it again, there was no follow up to my suggestions".

Therefore there is evidence that high and medium levels apply the SME Charter recommendations of informing the workforce about changes concerning their work situation. However, even though there is a dialogue, there was also a view that management seldom takes account of workers suggestions, which may suggest an authoritarian style of leadership.



The willingness of higher level management to release information concerning the work situation is well reflected. When asked as to whether they thought that when workers ask for a lot of information, this causes delays in the decision making process and therefore leads to a reduction in efficiency, only 6% indicated that they felt this was so. However, these results have to be considered in the light of further interviews conducted with management. The impression that has been gathered is that there was a clear indication that they were prepared to provide information, but only as far as it helped to avoid conflicts in the area of work organisation. Further evidence in the next section will confirm the above assessments.

#### Management views on communications

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In answer to Item 34 of the questionnaire asking higher levels to specify "What is the purpose of having good communications in an organisation?", most of the respondents highlighted the fact that it avoids conflicts and misunderstanding and at the same time increases the level of responsibility of the workforce in general. All the answers suggested that management only considered downward communication without referring at all to the benefits of upward communication.

One of the objectives of the new restructuring scheme of enterprises was to have an integrated system that will provide for more co-ordination between the units

composing the enterprise. However, 69% of respondents agreed that communication between the units was poor, which prompts us to suggest that despite the claimed objectives of the restructuring scheme (see previous chapter) there is no sign that it is succeeding in having more and better co-ordination between units.

Indeed the absence of contacts between these units could be detrimental in the sense that, as it was explained to me by a departmental manager, "... each production centre will operate as a single entity, there will be no exchange of information and experience, in fact we will be operating in the same manner as firms within the same industry operate in capitalist countries". Once again, headquarters, whose task is to co-ordinate these different centres, has failed not only in its task of producing publications on the achievement of the different units, but also on alleviating the genuine concern of managerial staff at CMB as to whether they could have avoided some of the pitfalls they experienced on production lines if there had been consultation with other units. Therefore, although relations between CMB and headquarters are judged to be fairly good, in terms of procedure it appears that headquarters does not transfer inter-unit information.

Another interesting result concerns the views of managerial staff as regard to the state of communication with the ministry, 50% thought that they were good and 20% fairly good. In fact these scores reflect a better

satisfaction than with their own relations with the headquarters of their unit. This may be explained by the fact that whereas communication procedures with headquarters are experiencing drastic changes since the restructuring scheme, (in fact the previous division is still in charge of some financial aspects), relations with the ministry, although at a lower key, have not encountered such levels of changes.

As far as inter-departmental communication is concerned 75% thought that they were good. Many executives stated that the SME scheme can be considered as being directly responsible for this improvement. The fact that many departmental executives meet within the managing council helped, as by contrast to the previous situation where conflicts often arose, and without any forum being available for solving the differences.

#### Attitudes towards participation

As mentioned before, the SME scheme was introduced at CMB in 1972 which is the earliest any scheme of participation has been introduced whether within the same industry or in others, apart, of course, from the pilot experiment that took place at SN. METAL. Interviews revealed that at the outset there was reluctance, particularly by higher levels to accept the scheme. However, there is a general consensus that the original rejection was in the main due to a 'false interpretation' of the charter and this despite an intensive

campaign of explanation and debate in every production centre.

The general impression collected from interviews is that at higher levels there was reluctance to endorse the scheme but acceptance thereafter, by contrast medium and lower levels received the scheme with acclaim and great satisfaction, however, disillusion is starting to takeover and could be felt particularly at shop floor level. This impression was confirmed when only 37% of the sample thought that there had been 'great' or 'good' improvement to the situation prior to the introduction of the SME charter and a majority of 63% thought there had been improvement 'in few areas' (mostly personnel issues) or 'no improvement at all'.

The table reproduced overleaf differentiates between the different categories of personnel and reflects perfectly the differences of opinion that were stated during the interviews.

Question: Do you think that there has been an improvement in general as compared to the pre-SME period?

	HIGH LEVEL %	MEDIUM LEVEL %	LOW LEVEL %	ALL %
Very great improvement	-	3	7	4
Good improvement	11	40	29	32
Improvement in some areas	67	28	20	28
No change	22	25	37	30
Regression	-	5	7	6
n	9	40	41	90

This table shows that 40% of medium levels think that there has been good improvement; this score is a little surprising if matched with scores concerning the amount and distribution of influence they perceive exists (see part II for further comments). However, this result can be explained by the fact that the policy of internal promotion which is mostly benefitting medium levels has been established as being a key issue for this category of personnel. Indeed, when asked about promotion opportunities within the unit only 33% thought that they were bad or very bad.

Wage claims are not an issue in Algerian industrial relations and a study of issues that have been referred to workers' representatives show that social problems such as housing, pensions etc. are the most common problems. About 64% of the sample contacted their representative about specific problems and among these, 55% received a favourable answer. However, despite this reasonable score, when respondents were asked whether in their experience, and that of others, workers' representatives solved any grievances, only 8% believed so. Lack of information may explain this low result; workers' representatives it seems do not provide feed back to their members as to what steps are taken in order to solve their particular problems.

Lower levels showed the lowest levels of attendance at the meetings called by the Workers' Assembly, 57% as compared to 78% for medium levels and a healthy 85% for higher levels. It seems from the above data that lower levels, although fully endorsing participatory procedures, are nonetheless a little reluctant to take part in the procedures. Once again lack of information and restrictive attitudes could be the reason for this lack of commitment on the part of lower level workers in attending Workers' Assembly meetings. For example, when the sample was asked whether they are adequately notified about the meetings of the different commissions, only 22% of lower levels believed they were notified adequately. Furthermore, when those responses are cross-tabulated with the job level a pattern of

answers similar to the previous one is replicated, that is, higher levels followed by medium levels know more about those meetings than lower levels.

Further evidence of this lack of feedback is illustrated by the fact that only 29% of the sample knew that the results of the meetings were published in the form of reports and that these reports, which were kept in the workers representative's office could be consulted by anyone. It can be noticed that lower levels had the lowest level of awareness about procedures followed closely by medium levels.

Question: Are the results of meetings published in the form of minutes or other?

	HIGH LEVEL %	MEDIUM LEVEL %	LOW LEVEL %	ALL %
YES	67	23	22	29
NO	33	77	78	71
n	12	39	32	83

These findings lead us to postulate that when participatory procedures are in operation, a greater effort towards sensibilising lower level workers' as to the benefits that could be derived from such procedures coupled with a better information system as regard to the procedural arrangements are a necessity.

In the following, there will be an analysis of the views of members of the participatory bodies on various issues related to the organisational structure, participatory procedures as well as an estimate of their relations with management.

A series of questions only to be answered by members of the Workers' Assembly was asked (Items 51 to 60 of the questionnaire). The results derived were by and large very encouraging as far as CMB is concerned because they did not reflect the high level of disillusionment of representatives towards management that was expressed during interviews. This disparity may be due to the fact that during interviews questions centered mostly on the state of informal contacts.

When members of the Workers' Assembly were asked if in general they perceived that they held all the information necessary to accomplish their tasks of workers' representatives, as defined by the charter of socialist enterprises, 89% answered positively. Furthermore, 50% of the respondents rated as "fairly good" the quality of their formal communications with management, 10% as "good" and a healthy 30% as "very good". As expected scores concerning informal communication in relation to management were not of the same scale as the ones above, approximately 50% of the respondents were satisfied.



It appears that the objective of the SME charter in 'Instituting work methods obligating persons who hold power of decision to debate during organised meetings, the problems of the undertaking of the unit" (Charte de la GSE - ordonnance number:71-74 du 15 November 1971), could be achieved.

Members of the Workers' Assembly however, made it clear that they do not rely solely on information released by management but also on information they obtain from headquarters. In this instance their task is greatly facilitated by the very good informal contacts they have with the Workers' Assembly of the enterprise. In fact, the present president of the WAE (Workers' Assembly of the enterprise) was previously president of the WAU (Workers' Assembly of the unit).

There is no doubt that workers' representatives believe that the level of knowledge of the workforce has improved drastically since the setting up of SME in this unit, particularly those at lower levels, only 10% thought that there was no change.

The problem of competence is crucial and in the previous chapter we discussed some aspects of this problem. In the context of this unit, although the level of education of members of the Workers' Assembly was fairly satisfactory, there were still objections from management. A very high percentage of approximately 85% of the higher level category did not think

that workers' representatives had the necessary amount of knowledge and competence to deal with management issues.

Most managers complained about the fact that during meetings they often have to play the role of trainers, and expressed genuine regret that the previous president of the Workers' Assembly, who they considered very competent, had to leave this unit to join headquarters.

Some managers expressed the view that the level of competence is a key issue that could lead to serious dysfunctions of the participatory procedures and will undoubtedly in the long term lower the quality of decision making.

In the following there is an attempt to evaluate perceptions of the workforce on the perceived consequences of the application of the SME scheme in the unit. The reader will notice that a series of issues, which broadly represents the two sides of the debate, about the likely consequences of participatory procedures, have been introduced (see appendix 1.1, 1.2, 1.3, 1.4 and 1.5).

This series of judgements on the likely consequences of the application of the SME (Item 61 to 77 in the questionnaire) has been classified along three dimensions.

- Consequences for the individual: For example better job satisfaction, improvement in the conditions of work, better morale and material satisfaction etc.
- Consequences for the organisation: For example more bureaucracy, better flow of communication, waste of time in decision making etc.
- Consequences for the relations between workers and management: For example better communication, better flow of information, elimination of serious conflict etc.

As mentioned before, it was felt during the interviews that the workforce did not consider that members of the Workers' Assembly were a good match to management in terms of competence. For this reason in this section of the questionnaire it has been decided to set two separate questions; the first one asks whether the introduction of SME could have resulted in improving the quality of decisions for the enterprise as a whole and a second question asks whether it could have resulted in lowering the quality of decisions because in this unit, representatives do not have the necessary competence to deal with management issues.

Respondents agreed that there has been improved job security (55%). Every category seem to agree on this issue, with higher levels (43%), medium levels (65%) and lower levels (49%) (see tables). Regarding this issue, management holds the view that it has become practically impossible to dismiss workers even for gross and persistent misconduct. They blamed for this, the lengthy procedures that are involved in taking any action, and also workers' representatives who are very reluctant, if not totally opposed, to that path of action.

Respondents did not feel that it contributed to 'a power decrease for higher level' (34%) however when asked if it resulted in 'more equalised power' (31%) agreed. In fact higher levels responses indicated that this is the case, (50%) did not feel that they had lost any influence, (29%) believed it results in more equalised power. These results seem to confirm that power equalisation does not necessarily imply power decrease for higher levels. We will come back to this issue in more detail later in this chapter.

It is interesting to note that (44%) of the sample thought that the introduction of SME had for consequence an 'increase in the level of responsibility of the workforce'. In fact (58%) of members of the Workers' Assembly and (53%) of medium levels agreed that this was the case. However, it is significant that the area where it was expected SME will do better

have been somewhat disappointing. Indeed only (28%) felt there was better 'morale satisfaction', more importantly if we look at the different categories responses we can notice that medium levels, and to a certain extent lower levels, are the least satisfied. Social problems such as chronic housing shortage affecting most categories of personnel, which have persisted if not worsened and the authoritarian style of higher levels, as identified earlier, are possible reasons for this dissatisfaction. This incidently may be one of the reasons for the high level of personnel turnover we mentioned in a previous section.

It is interesting to note that although respondents definitely agree that the consequences of the application of SME resulted in better material satisfaction (41%), better work conditions (43%) and better climate in the unit (35%); they are equally convinced, although to a lesser extent, that on an organisational level it resulted in a waste of time in taking important decisions with (29%) answering "yes definitely" and (45%) "yes to a certain extent", added to bureaucracy (27%) - "yes\* definitely" and (42%) - "yes to a certain extent" . And finally, "only helped in making decision taken by management more acceptable" with (34%) - "yes definitely" and (47%) - "yes to a certain extent" . In fact the above results confirm the impression gathered during interviews whereby although the workforce is fairly favourable in its general assessment of the consequence of SME, it still thinks that workers'

representatives are not, considering their low level of competence, able to question decisions taken by higher levels. In other words, the meetings will result in lowering the quality of decisions taken and more bureaucracy.

The distrust on the part of the workforce of their elected representatives is shown more clearly in the following. Whereas (41%) "definitely agree" that the "introduction of SME should improve the quality of decisions" with (39%) answering "yes to a certain extent", when asked whether it "lowers the quality of decisions in this unit because workers' representatives are not very competent", it is nearly the reverse with (35%) answering "yes definitely" and (47%) "yes to a certain extent". It can be noticed that when these results are cross-tabulated by job level, (see Tables in Appendix), the same pattern of response appears for medium and low levels. As far as higher levels are concerned only (15%) thought that it lowered the quality of decisions, while (69%) hide behind the "to a certain extent" alternative.

It can be safely proposed that the workforce does not seem to identify with their elected representatives, and this despite a fairly good record from those representatives in defending their members rights (see previous section).

Let us now go into more detail and examine the position of members of the Workers' Assembly on the same issues.

The most surprising result, although not unexpected, concerns the fact that workers' representatives are the least satisfied in terms of morale. This is in line with the findings of Obradovic et al (1970) findings in the context of Yugoslavia where it was found that members of the workers' council were more alienated than non-members.

The low scores of members of the Workers' Assembly in terms of satisfaction, only (8%) "definitely agree" compared with (29%) for higher levels, (20%) for medium levels and (30%) for lower levels, could reflect a high level of frustration. Some members of the Workers' Assembly complained that rank and file members made demands upon them that were sometimes impossible to satisfy, such as transfers, promotions, leave and social problems. More importantly, considering the specific nature of the managing council (i.e. very much imbalanced parity in favour of management) it becomes impossible to always get motions that they put forward accepted. The most disturbing factor is that representatives do not see their role as co-managers. Indeed practice taught them that, apart from some peripheral issues, they are still subjected to the same decision making process that operates in a traditional hierarchy. The above position may explain why only (8%) of members of the Workers' Assembly believe that SME may have resulted in a "more efficient management".

However they do agree that some progress has been made in some areas, such as:

- "Better flow of information" (50%)
- "Better material satisfaction" (58%)
- "Elimination of serious conflict" (50%)
- "Better flow of communication" (42%)

In summary, these results suggest that although there is an acknowledgement that some progress has been achieved in some areas, representatives are far from having equal strength in decision making as proclaimed in the charter. (We will examine this issue in more detail in the next section). More importantly, what this section revealed is that representatives seem to get the brunt of two forces; on the one hand, rank and file members showing increasing dissatisfaction towards them and on the other, higher levels who consider them, in not so many words, incompetent and "unworthy" spokesmen.

It is of course far too early to reach conclusions, but the picture that is emerging is rather bleak as far as the ideals of SME are concerned.

Total amount and distribution of influence (see tables at the end of this section)

Table I shows clearly that the supervisory authority is perceived by members as having the highest total amount of power (4.52), followed closely by headquarters with



a mean score of (4.50). These findings confirm the results of interviews conducted prior to this stage of the research in the sense that respondents felt that outside influences were far too great to allow their organisation to be an autonomous unit.

This situation clearly contradicts the objectives of the restructuring scheme which was to allow for greater decentralisation, instead there is now more concentration of power in the hands of outside authorities. However, it is thought that the appointment of the director by the supervisory authority and the vast prerogatives he holds may have brought a perceived association that could have been too much emphasised.

Moreover, when considering the distribution of influence in the organisation, i.e. abstracting outside influence, the actual influence curve is slightly flatter with participatory bodies and executives having a mean score of respectively (3.35) and (3.50) which is above average. The low score of lower levels is disappointing whatever the level of identification they express with participatory bodies (see previous section). There seems to be strong evidence that there is democratisation of the decision making process in this unit in the sense that, participatory bodies are being delegated or mandated to represent their fellow workers. By and large, this could be considered as an achievement insofar that this particular ideal embodied in the SME charter is actually being translated into

practice. However, the broader aim of giving the status of co-managers to the lower categories is far from being achieved. The scores of participatory bodies is, to a certain extent, very surprising because all the interviews suggested that higher levels have far too much influence as compared to the Workers' Assembly own influence. This impression gathered during interviews concerned more general issues however. A more systematic approach will be adopted in a later part to assess the areas where the Workers' Assembly and its constituting bodies have most influence.

As far as ideal influence is concerned there is a strong desire for a reduction in the influence of outside authorities (supervisory authority and headquarters), although not by a great amount. In the organisation, among the different categories, there is a willingness for participatory bodies, and more particularly from lower levels, to have more influence, an increase of respectively (.60) and (.90). These initial and global scores derived on actual and ideal influence seem to confirm previous research (Lammers, 1967; Tannembaum, 1968) that workers prefer to increase the power of members at different levels rather than decrease the amount of power held by higher levels. (see Fig. 1). It is expected that the overall picture will change when analysing specific issues later in this chapter.

Scores in Table 1 suffer from the shortcomings I referred to in the methodology section, for that reason it has been decided to cluster respondents in each category, i.e. (high, medium and low categories). It is assumed that personnel know much better what is happening in their particular areas, in other words, executives have a better perception on how much influence they actually hold and so forth for each category. Also, by discriminating between different categories, it is possible to assess more consistently the level of 'discrepancy' that appears at each level. The word discrepancy will mean, in this context, the difference between actual and ideal amounts of influence. The scores derived could be an indicator in assessing how far the different categories, more specifically, how far are lower levels prepared to be involved in participatory procedures. We have seen in the previous section that lower levels are favourable to the ideals of SME but in the same vein those scores did not show to what extent.

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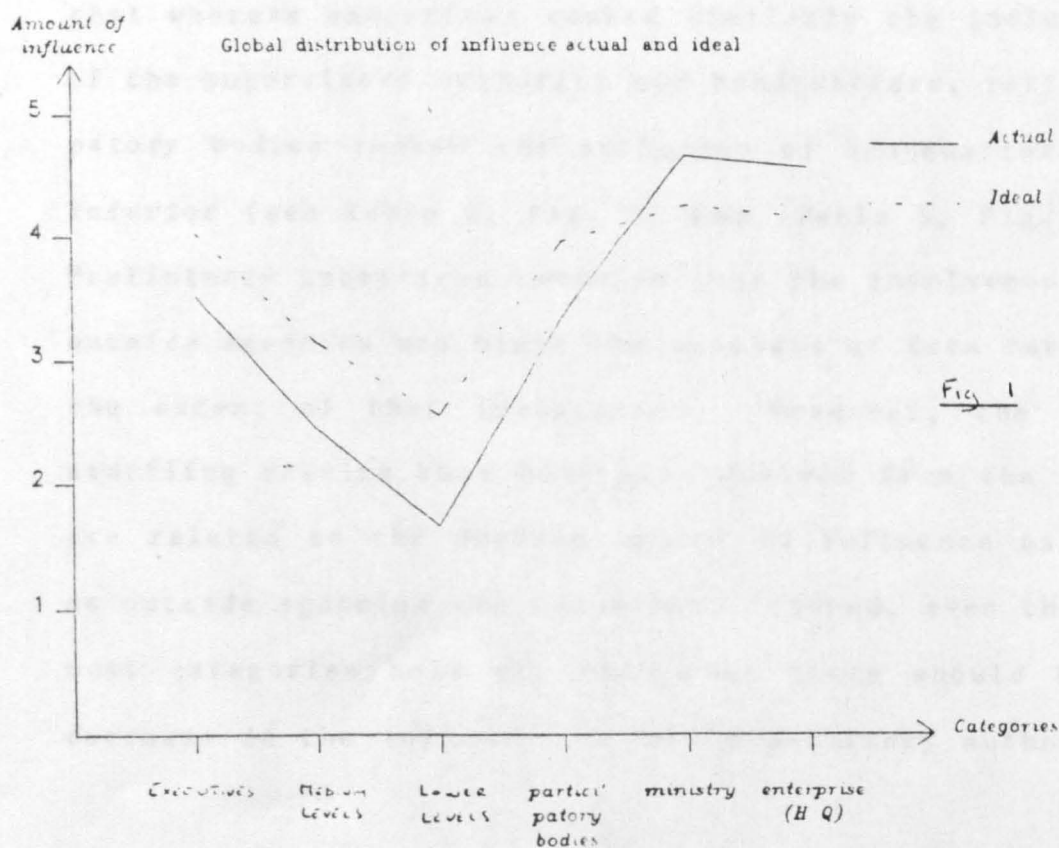
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TABLE 1 DISTRIBUTION OF INFLUENCE -  
ACTUAL AND IDEAL AS REPORTED BY ALL MEMBERS

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	2	11	34	22	21	3.54
Medium levels	15	29	30	5	1	2.35
Lower levels	54	19	7	0	4	1.58
Participatory bodies	7	8	31	23	14	3.35
Supervisory authority	1	1	6	12	62	4.62
Headquarters	2	2	6	17	60	4.51
<u>IDEAL</u>						
Executives	1	1	22	40	26	3.99
Medium levels	4	19	37	16	10	3.10
Lower levels	15	38	16	5	10	2.49
Participatory bodies	6	4	13	27	34	3.94
Supervisory authority	5	8	4	15	50	4.18
Headquarters	2	10	8	20	47	4.15

\* No influence at all

+ A lot of influence



Global amount of influence as reported by the various categories of personnel (see tables at the end of this section)

Once we have a breakdown of respondents it is revealed that all categories agree that executives have a lot of influence in the organisation with a mean score of 3.66 as reported by medium levels, 3.46 as reported by lower levels and 3.50 as reported by members of the participatory bodies. It appears from these scores that executives underestimate their actual influence which was perceived by them at 3.42 as compared with what other categories of personnel perceive they hold. Outside agencies are very much perceived to be in control of what is happening in this unit, this is reflected in the high scores attributed to them by participatory bodies and higher levels, respectively 4.87 and 4.69. The main difference between these two categories is that whereas executives ranked similarly the influence of the supervisory authority and headquarters, participatory bodies ranked the influence of headquarters as inferior (see Table 2, Fig. 2) and (Table 5, Fig. 5). Preliminary interviews revealed that the involvement of outside agencies was high; the analysis of data reveals the extent of that involvement. Moreover, the most startling results that have been derived from the data are related to the desired amount of influence as far as outside agencies are concerned. Indeed, even though most categories hold the view that there should be a decrease in the influence of the supervisory authority

and headquarters, the scores (in Fig. 2 to 5) reveal that all members would prefer their influence to be lower than that of outside agencies. Also, some differences appear between, on the one hand, lower and medium level categories who would prefer the supervisory authority to have more influence than headquarters and, on the other hand, the exact reverse, with participatory bodies and executives who would prefer headquarters to have more influence than the supervisory authority (see Fig. 2 to 5) and comments that have been made in the previous section.

It has been somewhat expected however that the ambiguities reflected in the charter when proposing that there should be full control exerted by the supervisory authority and at the same time greater decentralisation, should be reflected in practice in this particular unit in terms of planning and managerial autonomy.

Data derived from Table 2 shows that executives rank their influence below the one of participatory bodies with mean scores of respectively 3.42 and 3.50, while in Table 5, representing participatory bodies' views, it is exactly the reverse, respectively 3.50 and 3.25. It can only be assumed that once again executives are underestimating their actual influence if we take into account other categories responses. Another interesting result is related to the fact that while higher levels believe in increasing the amount of influence of all categories including their own, participatory

bodies believe in increasing the amount of influence of most categories but in reducing the level of influence of executives; that is from a perceived influence of 3.50 to an ideal influence of 3.40. (The significance of these scores do not reside so much in their difference but mainly in the tendency or direction that it takes in terms of reduction of influence). These reflect the fact that there is, among members of the Workers' Assembly, a strong feeling against higher levels in terms of resentment. (These scores confirm findings of the previous sections). Workers' Assembly members complained about executives who they thought were taking full advantage of their prerogative, admittedly within the regulations laid down by the SME Charter. Indeed management is very reluctant to abandon their prerogatives, and a traditional, authoritarian attitude is, I have been told, the standard behaviour that has been reflected during meetings.

The comments above suggest that in the Algerian context, contrary to findings in the USA and Yugoslavia, power has both zero and non-zero sum manifestations in concordance with the theoretical work undertaken by Baccarah and Lawler (1980).

All categories of personnel would like a reduction in influence of outside agencies with members of the Workers' Assembly being the strongest supporters of this view. By and large, representatives seem to have



achieved an important increase in their influence since SME was first instituted although the democratisation process has been beset by hierarchical structures that are still very much present. Data shows the high level of centralisation that is perceived by all categories and although most categories prefer a reduction in the amount of influence they hold, they also consider that ideally the influence of outside agencies (headquarters and supervisory authority) should be higher than their own in general. However, this position will become clearer when analysing the different issues, for personnel agree that to have a comprehensive and coordinated development, national consideration in terms of the plan should override any local ones, and it is only in that sense that they sanction this influence. It is considered that long term decisions at unit levels will, in the long run, have an affect in terms of national 'equilibrium', in other words, a balanced development. But it will be shown in sections to come that this view does not necessarily extend to medium or short term decisions.

The breakdown of respondents by categories of personnel show that middle management, although having above average mean scores, have nonetheless the lowest scores in the organisation beside lower levels. However, these scores were associated with the lowest level of discrepancy (.73) (being the difference between actual and ideal mean score) which may suggest that there is not a significant willingness to be involved in

decision making. Participatory bodies, as expected, had the highest rate of discrepancy (.87). This last score confirms findings Obradovic et al (1970) who found that in Yugoslavia, members of the workers' council feel more alienated than non-members. Indeed in the Algerian context a majority of members of the Workers' Assembly were experiencing a great deal of frustration in the sense that they could not fulfil the expectations of lower level workers who rightly thought that the SME Charter gave them the right to be 'co-managers'.

There is an impressive amount of distrust directed towards management, many members of the Workers' Assembly complained vigorously about the fact that formal meetings in the context of managing councils do not give them the opportunity to exercise influence. There were also complaints about the amount of information released by management. In fact during the study, as specified before, I myself came across this problem, more particularly on issues concerning policy and financial matters. This problem could only be bypassed with the help of the Workers' Assembly records who despite their complaints held nonetheless, what could be considered as important and crucial information in another non-participative organisation but which is surely insufficient in an organisation operating, or intending to operate, under the ideals of socialist management. Indeed there is strong evidence that higher levels do not release crucial information

which is necessary for workers' representatives to perform their tasks effectively, in this case they had to rely on other sources (see previous section).

By and large, members of the Workers' Assembly summed up the role of the 'managing council' as just being a means to sanction the adoption of decisions which would have, in another context, generated a great deal of animosity and conflict. In summary, it seems that the role of the managing council is, by the very fact of the balance of power or I should say imbalance of power that is existing, just another means of legitimising higher levels' influence and, as far as workers' representatives are concerned, just another forum where they are subjected to ordinary type hierarchical structures. In fact, in these terms, higher levels even increase their amount of influence, confirming that higher categories gain broader support through the participatory procedures (See chapter 2).

Finally, as can be seen clearly in Fig. 1 to 5, all graphs show the same pattern. That is, peak patterns for Outside Authorities (Ministry and Enterprise) followed respectively by higher levels and Participatory Bodies. Whereas Medium and Lower levels' influence is below average. Moreover, as far as ideal control is concerned all groups would prefer the influence of outside authorities to be reduced.

TABLE 2 DISTRIBUTION OF INFLUENCE AS REPORTEDBY HIGHER LEVELS - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	0	3	2	6	1	3.42
Medium levels	2	5	5	0	0	2.25
Lower levels	9	3	0	0	0	1.25
Participatory bodies	0	2	3	6	1	3.50
Supervisory authority	0	0	1	2	10	4.69
Headquarters	0	0	1	2	10	4.69
<u>IDEAL</u>						
Executives	0	0	0	10	3	4.23
Medium levels	1	1	8	2	1	3.08
Lower levels	4	6	3	0	0	1.92
Participatory bodies	1	1	3	5	3	3.62
Supervisory authority	0	1	1	4	7	4.31
Headquarters	0	0	2	4	7	4.38

\* No influence at all

+ A lot of influence

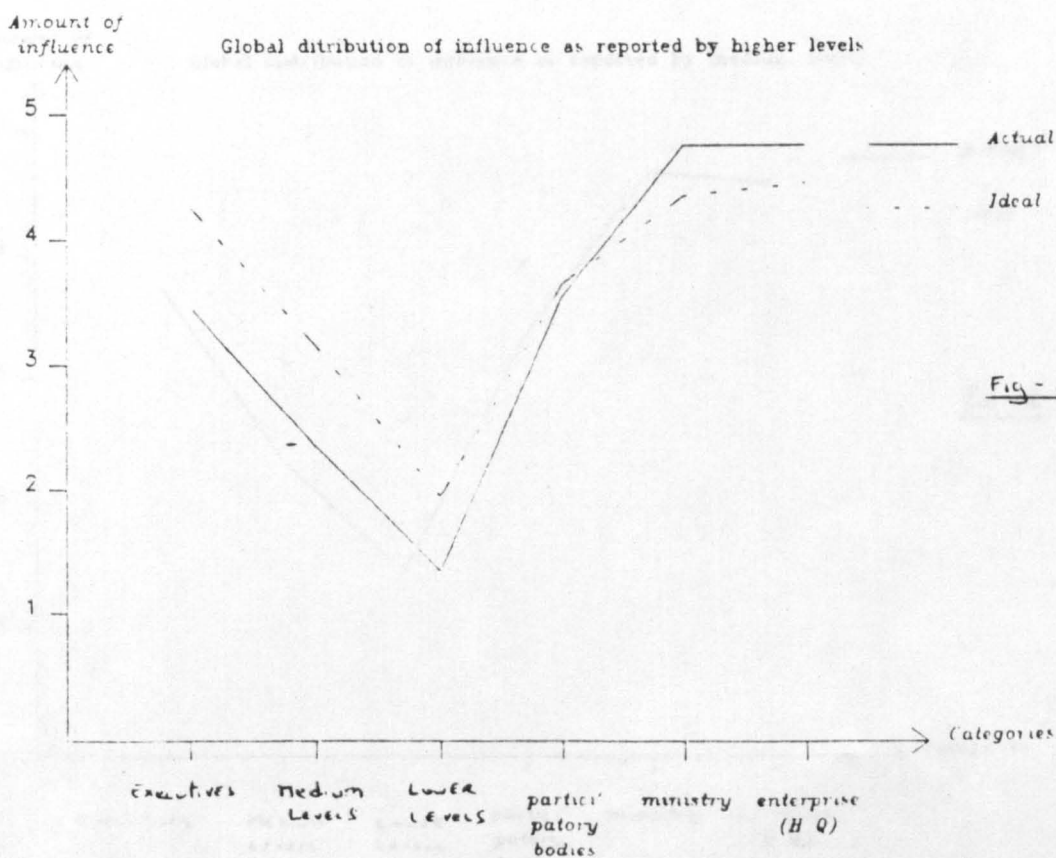


TABLE 3 DISTRIBUTION OF INFLUENCE AS REPORTED BY  
MEDIUM LEVELS - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	0	3	18	10	10	3.65
Medium levels	8	11	11	4	0	2.32
Lower levels	25	10	2	0	0	1.38
Participatory bodies	3	4	17	6	7	3.27
Supervisory authority	0	1	2	5	25	4.64
Headquarters	1	0	2	9	25	4.54
<u>IDEAL</u>						
Executives	0	1	10	16	13	4.03
Medium levels	3	8	14	10	3	3.05
Lower levels	8	11	7	5	4	2.60
Participatory bodies	2	2	4	16	11	3.91
Supervisory authority	3	5	1	4	22	4.06
Headquarters	1	6	2	11	18	4.03

\* No influence at all

+ A lot of influence

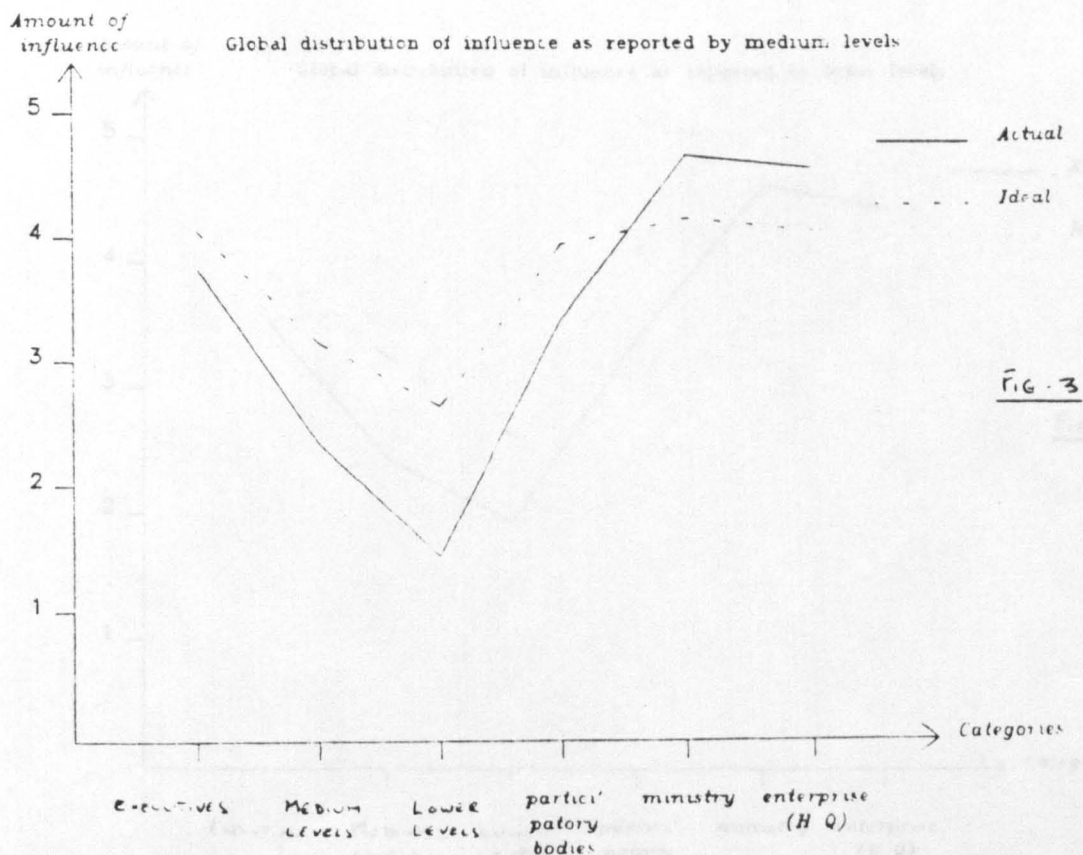


TABLE 4 DISTRIBUTION OF INFLUENCE AS REPORTED BY  
LOWER LEVEL WORKERS - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	2	5	14	6	10	3.46
Medium levels	5	13	14	1	1	2.41
Lower levels	20	6	5	0	4	1.91
Participatory bodies	4	2	11	11	6	3.38
Supervisory authority	1	0	3	5	27	4.58
Headquarters	1	2	3	6	25	4.41
<u>IDEAL</u>						
Executives	1	0	12	14	10	3.86
Medium levels	0	10	15	4	6	3.17
Lower levels	3	21	6	0	6	2.58
Participatory bodies	3	1	6	6	20	4.08
Supervisory authority	2	2	2	7	21	4.26
Headquarters	1	4	4	5	22	4.19

\* No influence at all

+ A lot of influence

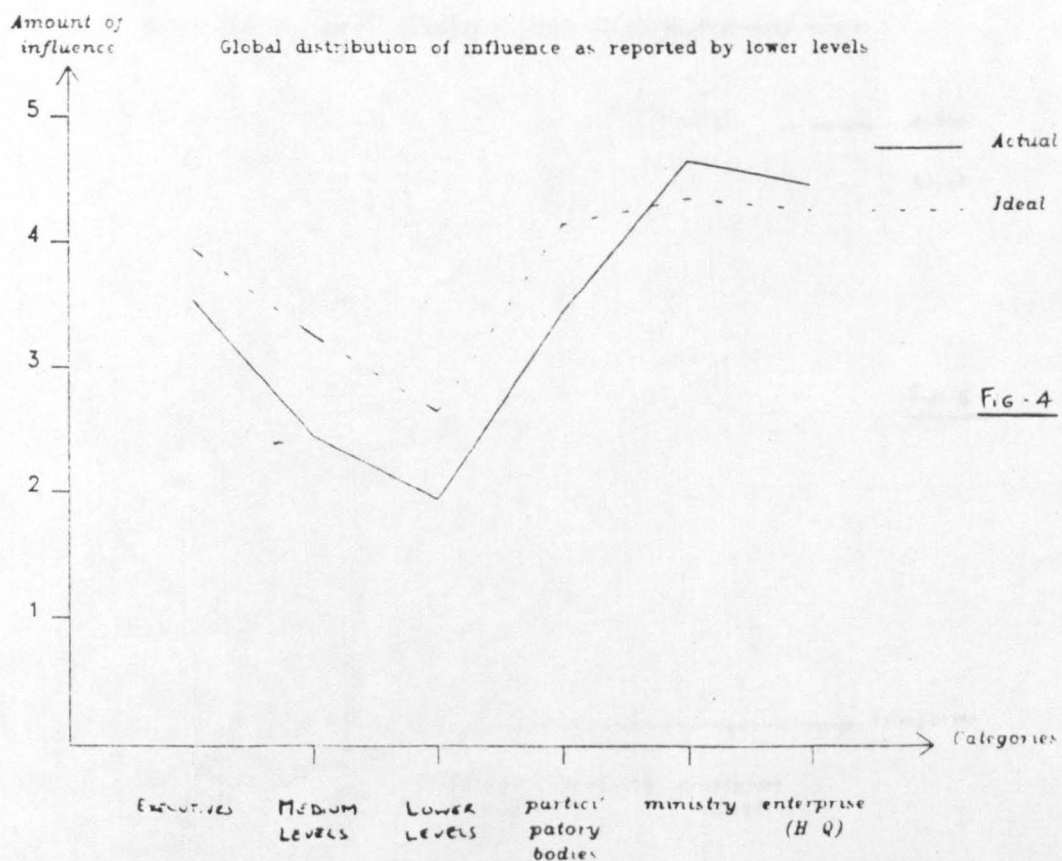
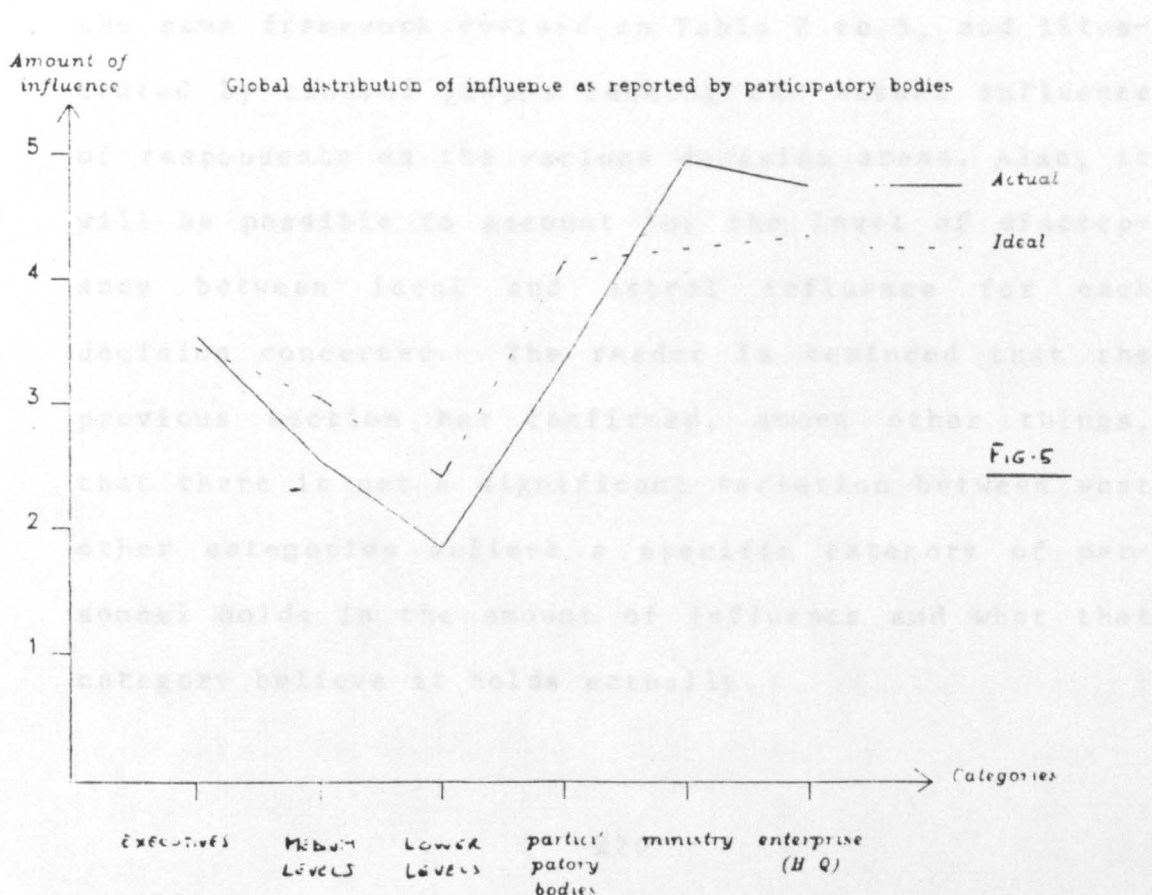


TABLE 5 DISTRIBUTION OF INFLUENCE AS REPORTED BY  
PARTICIPATORY BODIES - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	1	0	5	1	3	3.50
Medium levels	1	1	4	0	0	2.50
Lower levels	4	2	2	0	0	1.75
Participatory bodies	0	1	4	3	0	3.25
Supervisory authority	0	0	0	1	7	4.87
Headquarters	0	0	0	3	6	4.66
<u>IDEAL</u>						
Executives	0	0	7	2	1	3.40
Medium levels	0	1	5	1	0	3.00
Lower levels	1	4	2	1	0	2.37
Participatory bodies	0	0	3	1	4	4.12
Supervisory authority	0	0	3	1	5	4.22
Headquarters	0	0	1	4	4	4.33

\* No influence at all                      + A lot of influence



## Global distribution of influence on different decisions

(see tables at the end of this section)

In this section there will be a study of global influence (actual and ideal) on a set of twelve decisions, as reported by all respondents. This analysis will, it is thought, give the opportunity to be more specific on each decision area and thereby enlarge the context of analysis undertaken in the previous section. Indeed although the above analysis is interesting as far as some general outcomes have been derived, the following section will be more specific in the sense that the sample of decisions will show more clearly what are the areas where the different categories are perceived to have more influence. More importantly, the pattern of influence of outside authorities will be assessed as discussed at the start of this section. Furthermore there will be a breakdown by categories according to the same framework devised in Table 2 to 5, and illustrated by control graphs ranking the actual influence of respondents on the various decision areas. Also, it will be possible to account for the level of discrepancy between ideal and astral influence for each decision concerned. The reader is reminded that the previous section has confirmed, among other things, that there is not a significant variation between what other categories believe a specific category of personnel holds in the amount of influence and what that category believe it holds actually.



The results suggest that the weight of outside agencies (supervisory authority and headquarters) is very strong. Except from Training with a mean score of respectively (3.62 and 3.70), Health and Safety (2.90 and 3.44), Work Arrangements (2.39 and 2.90) and finally Hiring and Firing (2.65 and 3.45), which are to a certain extent 'parochial' short term decisions related to the day-to-day running of the organisation, most of the long term important decisions, such as future objectives and new investments, are perceived by the respondents to be the prerogative of outside agencies (see tables 6 to 17 and figures 6 to 17 at the end of this section). In this respect it has been confirmed that Article 8 of the SME Charter providing for the supervisory authority to hold all powers of direction and control over the organisation has been translated into practice.

Moreover it is confirmed in this section that the theory of the 'expanding pie', whereby in every decision area the desired amount of influence is greater than actual, applies to the Algerian context.

The standard recurrence is that there is, as commented above in the previous section, a polarisation of influence between higher levels and participatory bodies, with the other categories following a rather conventional hierarchical pattern (see Fig. 6 to 17). There is no evidence that lower levels are getting involved in the running of their organisation, in fact even if

there is allowance for some level of identification with participatory bodies, the mean scores are still very low for an organisation that claims to be participative.

The desired amount of influence is still very low for lower level respondents and it appears that the only decision areas where respondents would prefer an ideal influence that is much greater than actual are those where lower level workers are most closely concerned. I will categorise them as close level decisions as opposed to distant level decisions. For the first level they are Health and Safety with a difference of 1.3 from an average mean score of 2.42 to 3.72, purchase of new equipment with an increase of .84 from an average mean score of 2.24 to 3.08. The amount of ideal influence for lower level workers concerning all the remaining decisions is very much below average, with the exception of distribution of profits with a score of 2.96. This trend will be confirmed when analysing the response of each category assessing their own amount of actual and ideal influence.

Another interesting finding, although not unexpected, concerns the fact that participatory bodies' perception of their actual influence was below average on three decisions: Purchase of new equipment (2.60), Creation of a new product (2.76) and Work arrangements (2.53); on most other decisions their perceived influence was above average although higher level workers have higher

scores. In fact participatory bodies only perceive themselves as very influential on Health and Safety decisions with an average mean score of 3.38 and Distribution of profit 3.92. This latter decision is after all practically the only area where the SME Charter is most specific in stating that "... The distribution of profits is the sole prerogative of the Workers' Assembly". (Article 34, Section 2). It will be shown later that Assembly members are still not satisfied with their level of influence.

The highest levels of discrepancy are related to decisions concerning training where respondents believe that the influence of participatory bodies should be increased by 1.15, introduction of a new product, a discrepancy level of 1.22 and finally, health and safety with 1.03. These results show that respondents do not believe that workers' representatives are very influential in those decision areas. However, it must be mentioned that these perceptions are not confirmed when analysing Table 20 which represents scores of actual and ideal influence as perceived by members of the participatory bodies.

TABLE 6 GLOBAL INFLUENCE ON TRAINING

ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	4	11	21	23	29	3.70
Medium levels	24	18	17	12	13	2.67
Lower levels	25	2	3	2	4	1.66
Participatory bodies	16	20	25	17	9	2.80
Supervisory authority	17	6	9	13	40	3.62
Headquarters	14	5	13	17	39	3.70
<u>IDEAL</u>						
Executives	2	3	15	28	41	4.16
Medium levels	8	7	28	25	18	3.44
Lower levels	21	25	22	10	8	2.52
Participatory bodies	6	3	12	32	33	3.97
Supervisory authority	12	6	8	13	44	3.86
Headquarters	11	3	6	22	44	3.99

\* No influence at all

+ A lot of influence

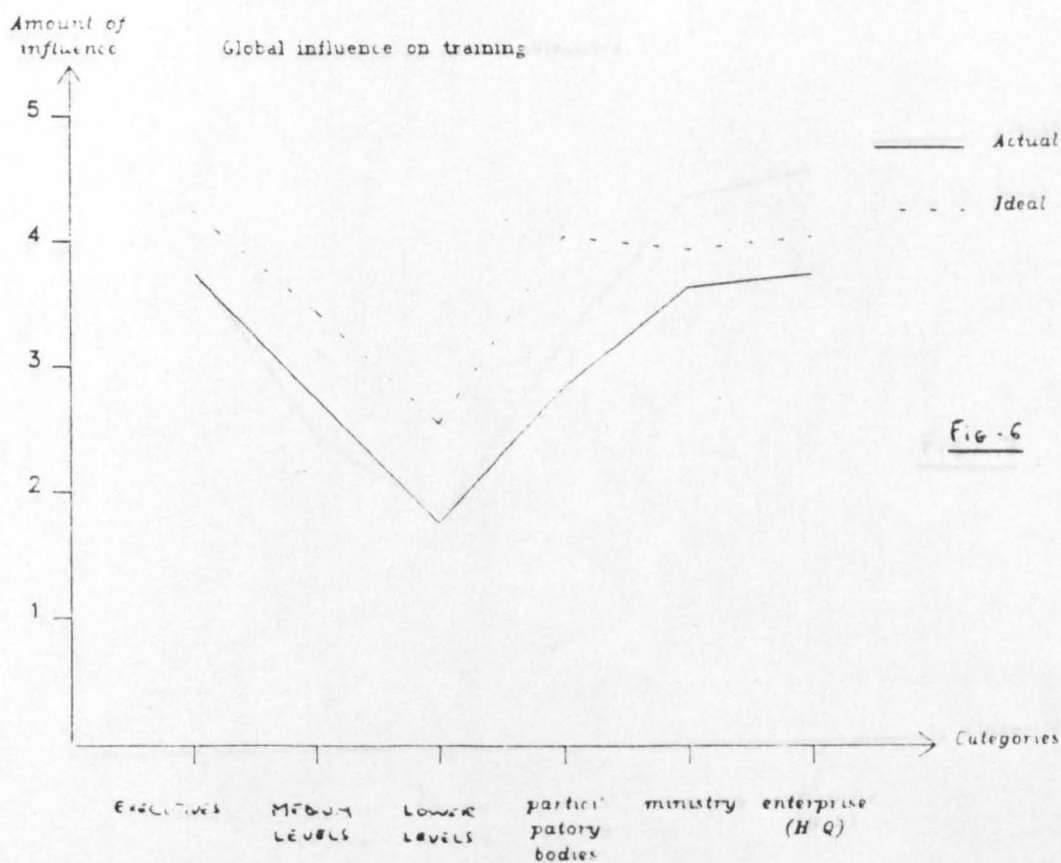


TABLE 7 GLOBAL INFLUENCE ON FUTURE OBJECTIVES -ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	3	10	19	26	31	3.81
Medium levels	27	24	12	10	9	2.39
Lower levels	52	15	4	8	5	1.80
Participatory bodies	7	18	27	5	23	3.24
Supervisory authority	3	4	7	18	52	4.33
Headquarters	3	0	4	25	55	4.48
<u>IDEAL</u>						
Executives	1	3	9	33	43	4.28
Medium levels	11	15	24	13	17	3.13
Lower levels	21	32	8	7	14	2.52
Participatory bodies	3	2	15	29	36	4.09
Supervisory authority	3	9	12	12	49	4.12
Headquarters	2	4	9	24	44	4.30

\* No influence at all

+ A lot of influence

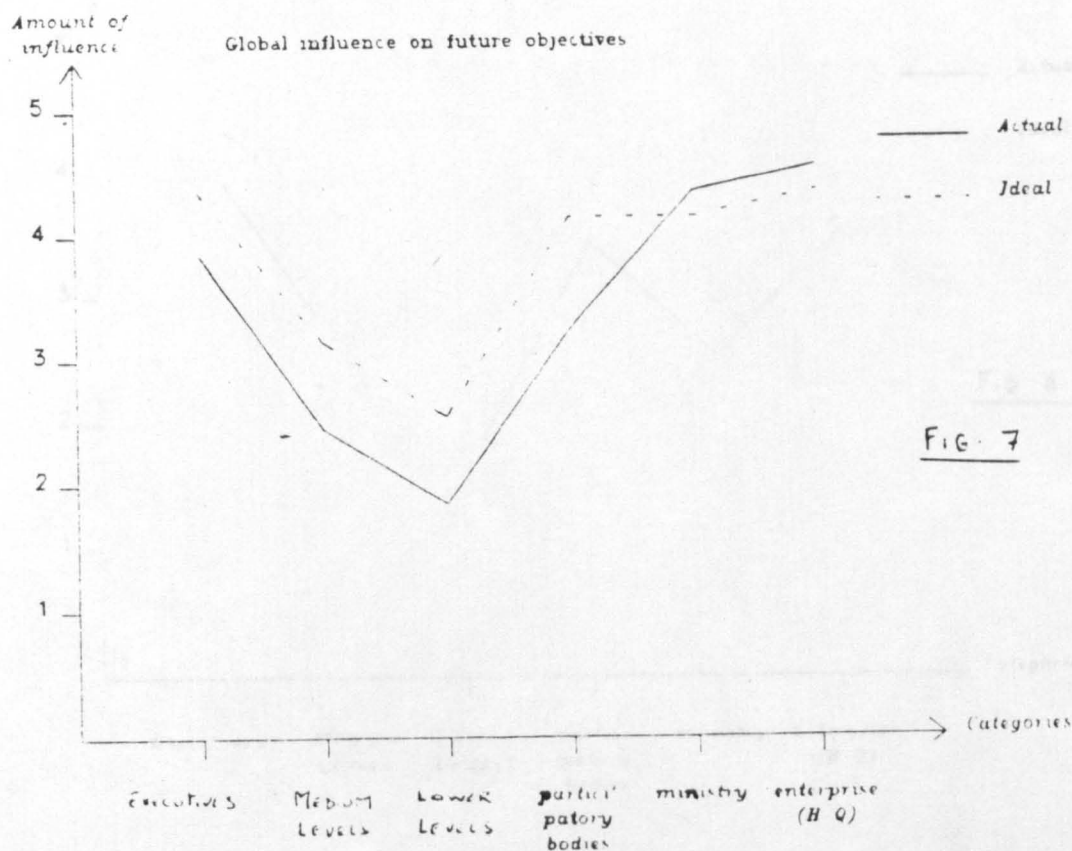


TABLE 8 GLOBAL INFLUENCE ON PROMOTION -

ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	4	12	8	29	36	3.91
Medium levels	30	18	16	9	12	2.47
Lower levels	56	12	5	2	6	1.64
Participatory bodies	10	12	19	25	25	3.44
Supervisory authority	31	9	15	5	15	2.52
Headquarters	16	7	13	11	34	3.49
<u>IDEAL</u>						
Executives	1	3	5	34	43	4.34
Medium levels	5	9	22	21	23	3.60
Lower levels	23	25	13	7	10	2.44
Participatory bodies	8	2	15	23	36	3.92
Supervisory authority	29	6	8	12	23	4.92
Headquarters	16	4	11	17	33	3.58

\* No influence at all

+ A lot of influence

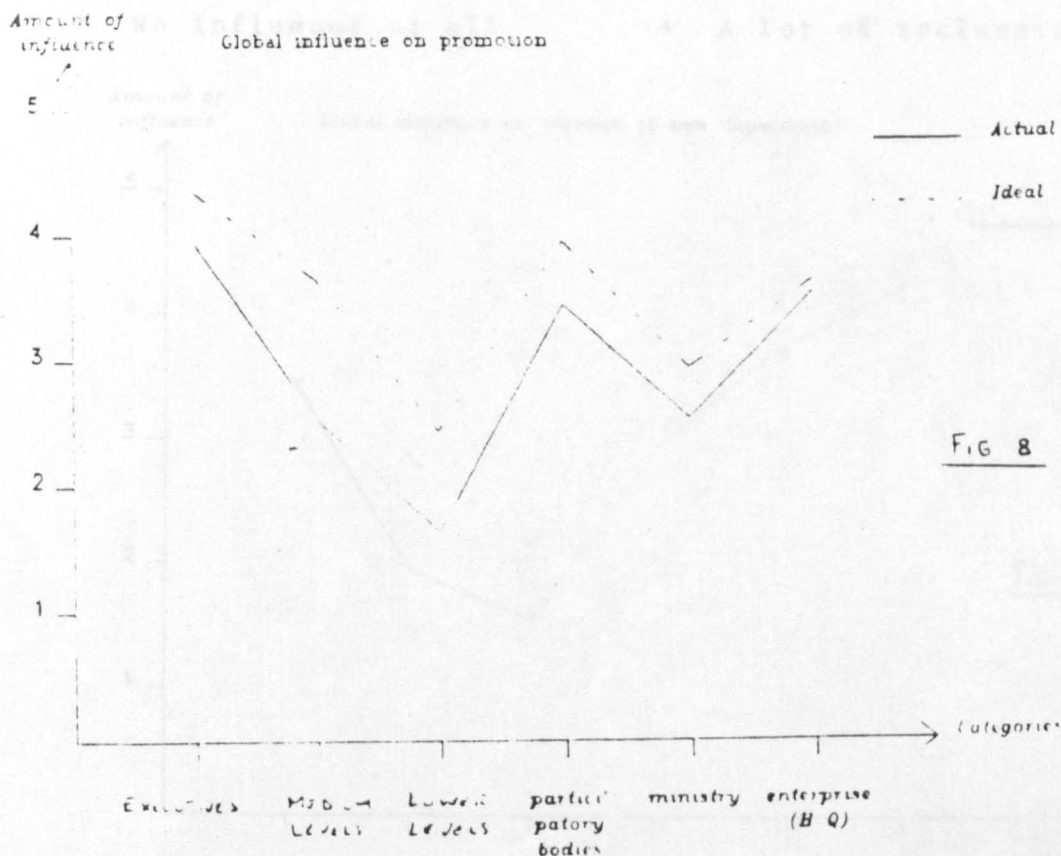


TABLE 9 GLOBAL INFLUENCE ON CREATION OF A NEWDEPARTMENT - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	11	5	16	24	23	3.54
Medium levels	39	15	9	6	4	1.92
Lower levels	57	4	7	3	2	1.48
Participatory bodies	16	16	20	8	18	2.95
Supervisory authority	12	9	7	12	40	3.74
Headquarters	5	6	6	13	53	4.24
<u>IDEAL</u>	1	2	3	4	5	
Executives	5	2	10	25	39	4.12
Medium levels	17	21	11	15	12	2.79
Lower levels	34	19	7	7	6	2.07
Participatory bodies	7	9	11	21	31	3.76
Supervisory authority	18	9	6	6	43	3.57
Headquarters	5	6	11	12	48	4.12

\* No influence at all

+ A lot of influence

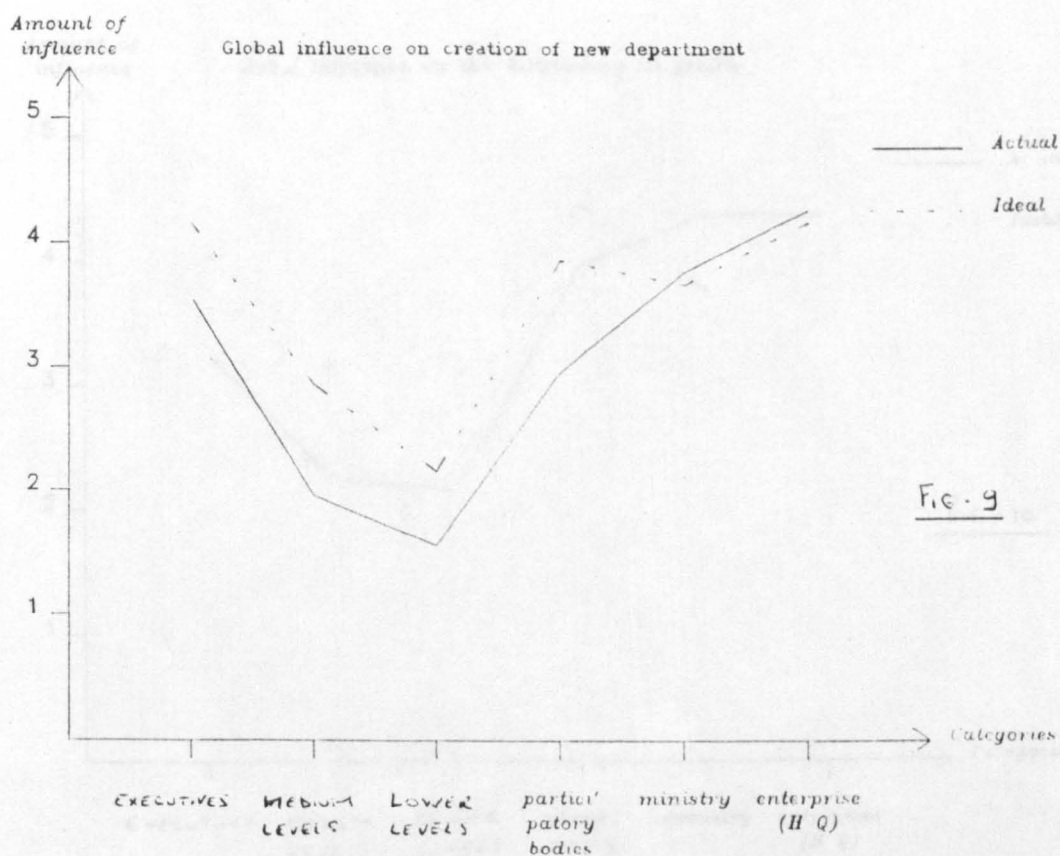


TABLE 10 GLOBAL INFLUENCE ON THE DISTRIBUTION OF  
PROFITS - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	22	6	10	22	20	3.15
Medium levels	44	9	8	6	12	2.15
Lower levels	46	5	6	8	10	2.08
Participatory bodies	4	6	17	20	35	3.93
Supervisory authority	4	4	9	10	53	4.30
Headquarters	5	3	8	14	52	4.28
<u>IDEAL</u>						
Executives	7	3	9	27	35	3.99
Medium levels	18	10	15	18	19	3.13
Lower levels	21	13	13	10	21	2.96
Participatory bodies	4	1	8	18	56	4.42
Supervisory authority	16	5	11	11	43	3.70
Headquarters	7	9	11	13	46	3.95

\* No influence at all

+ A lot of influence

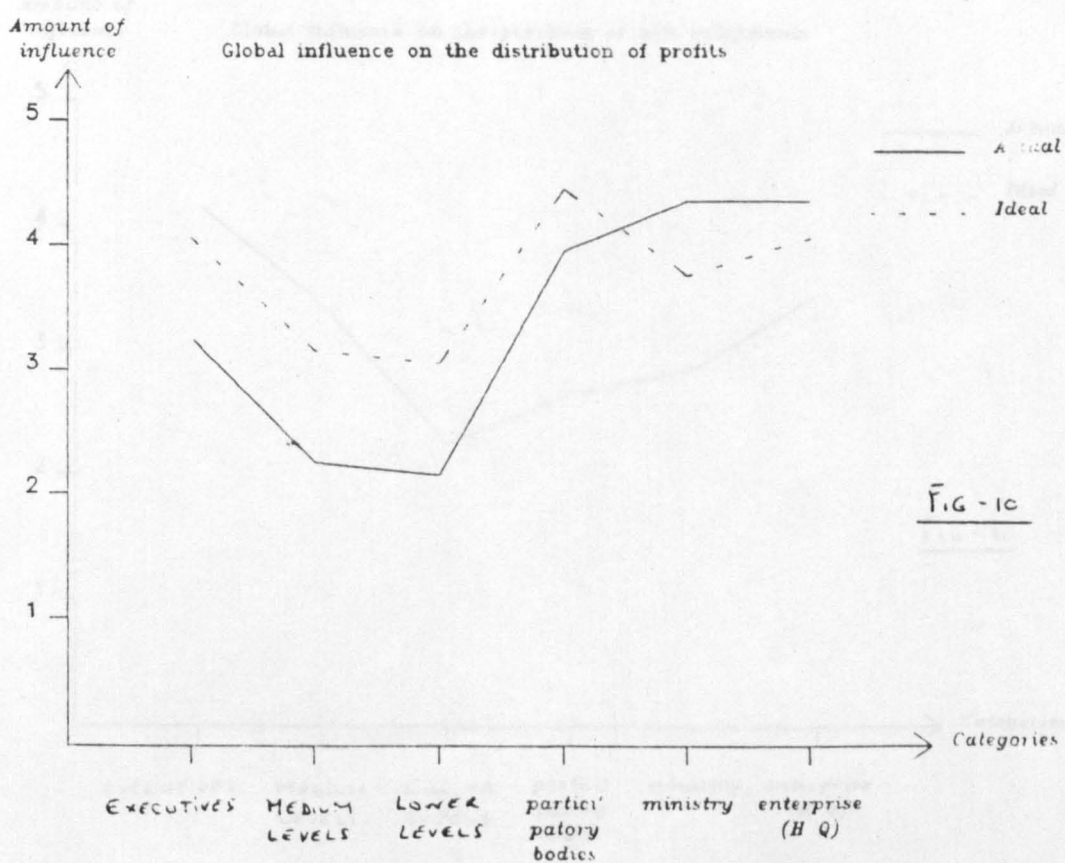




TABLE 11 GLOBAL INFLUENCE ON THE PURCHASE OF  
NEW EQUIPMENTS - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	0	9	11	25	38	4.11
Medium levels	11	14	17	23	17	3.26
Lower levels	32	16	11	9	7	2.24
Participatory bodies	22	20	15	7	13	2.60
Supervisory authority	24	15	8	10	20	2.83
Headquarters	11	15	13	11	30	3.43
<u>IDEAL</u>						
Executives	2	2	5	26	45	4.38
Medium levels	3	2	9	28	39	4.21
Lower levels	13	18	12	18	16	3.08
Participatory bodies	11	14	18	13	22	3.27
Supervisory authority	29	9	9	9	21	2.82
Headquarters	20	12	9	12	27	3.18

\* No influence at all

+ A lot of influence

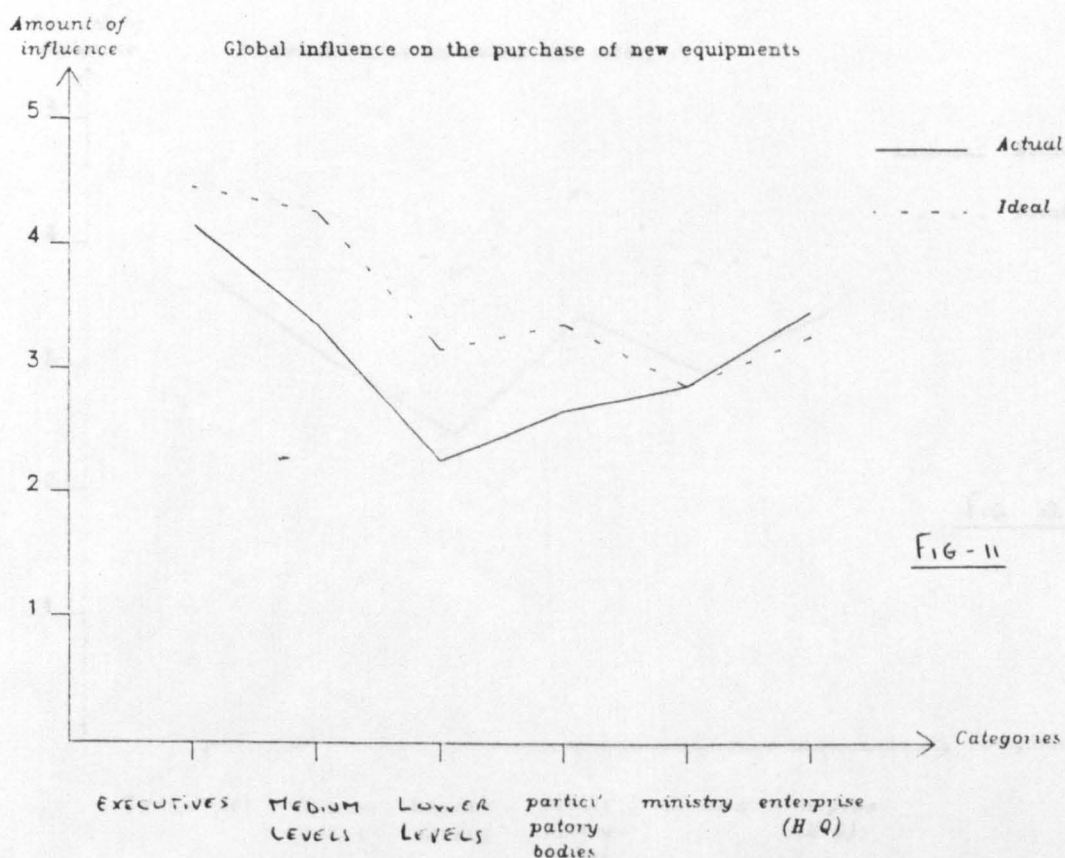


TABLE 12 GLOBAL INFLUENCE ON HEALTH AND SAFETY -

ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	6	9	20	21	29	3.68
Medium levels	9	24	15	19	12	3.01
Lower levels	28	16	16	9	9	2.42
Participatory bodies	9	14	15	25	19	3.38
Supervisory authority	20	16	9	15	18	2.94
Headquarters	12	11	11	19	25	3.44
<u>IDEAL</u>						
Executives	1	2	8	21	50	4.43
Medium levels	2	2	8	34	33	4.19
Lower levels	5	7	23	14	30	3.72
Participatory bodies	0	3	7	26	47	4.41
Supervisory authority	9	10	5	17	36	3.79
Headquarters	6	10	5	18	41	3.98

\* No influence at all

+ A lot of influence

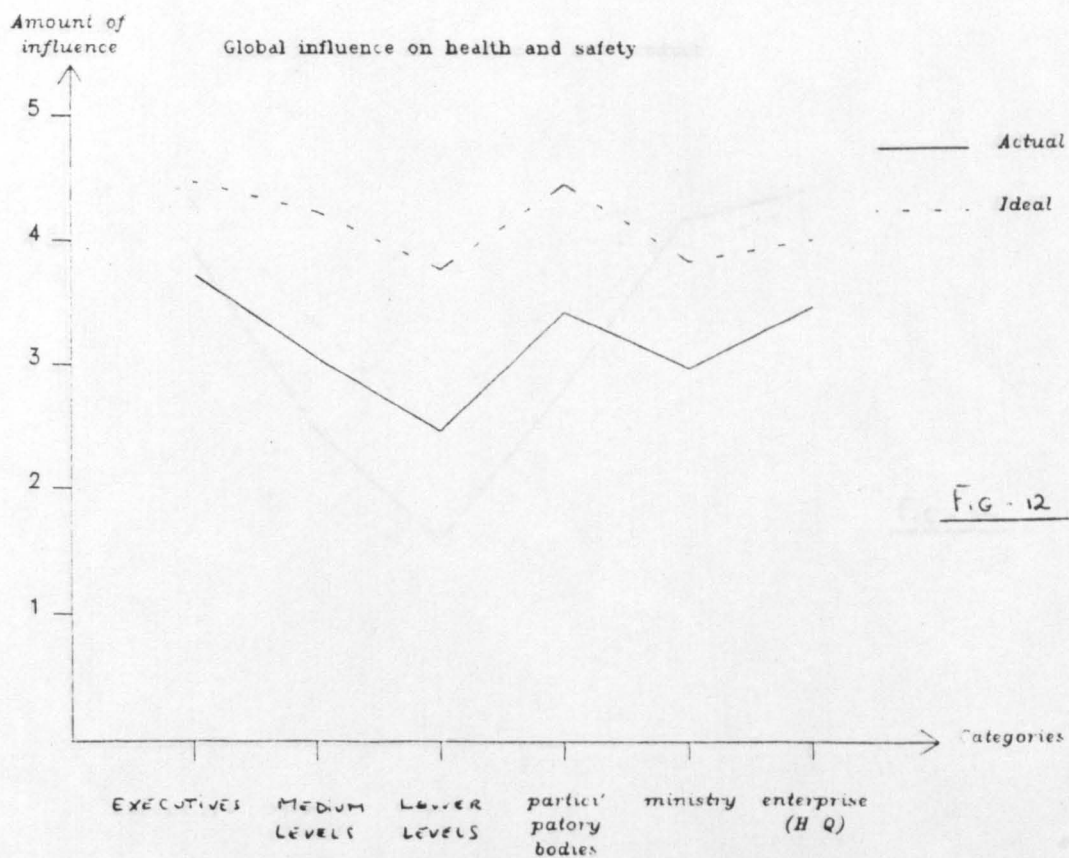


TABLE 13 GLOBAL INFLUENCE ON THE CREATION OF ANEW PRODUCT - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	2	8	17	19	35	3.95
Medium levels	24	21	12	10	9	2.46
Lower levels	54	5	9	2	3	1.56
Participatory bodies	19	21	14	8	16	2.76
Supervisory authority	5	4	13	12	47	4.14
Headquarters	3	1	9	20	52	4.38
<u>IDEAL</u>						
Executives	2	2	8	26	44	4.32
Medium levels	7	15	20	20	17	3.32
Lower levels	27	17	15	7	10	2.42
Participatory bodies	3	5	18	19	35	3.98
Supervisory authority	6	12	9	12	45	3.93
Headquarters	5	4	7	19	52	4.25

\* No influence at all

+ A lot of influence

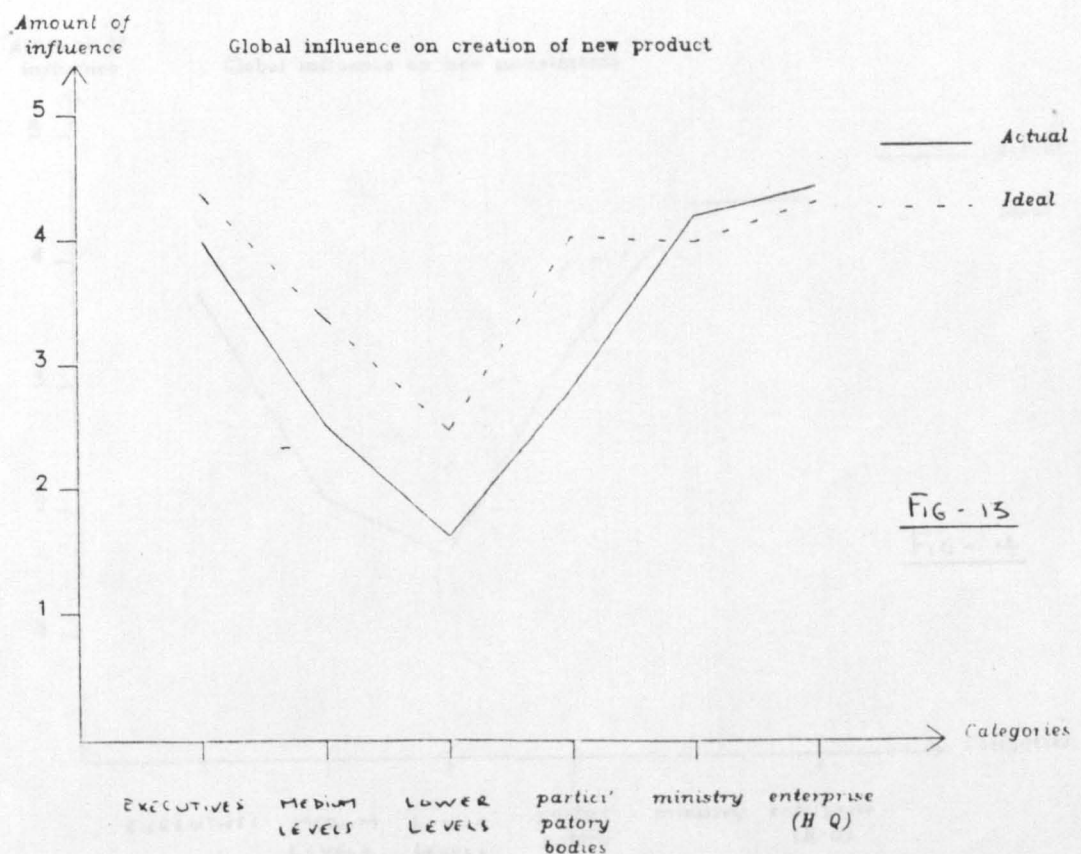


TABLE 14 GLOBAL INFLUENCE ON NEW INVESTMENTS -

ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	5	10	16	26	26	3.70
Medium levels	34	21	12	6	4	2.03
Lower levels	56	5	4	5	3	1.55
Participatory bodies	8	18	23	13	18	3.19
Supervisory authority	3	2	10	15	52	4.35
Headquarters	1	2	9	24	48	4.38
<u>IDEAL</u>						
Executives	3	4	7	24	47	4.27
Medium levels	16	11	21	19	12	3.00
Lower levels	29	23	7	11	6	2.24
Participatory bodies	2	13	8	29	30	3.88
Supervisory authority	4	7	14	14	45	4.06
Headquarters	3	4	9	19	50	4.28

\* No influence at all

+ A lot of influence

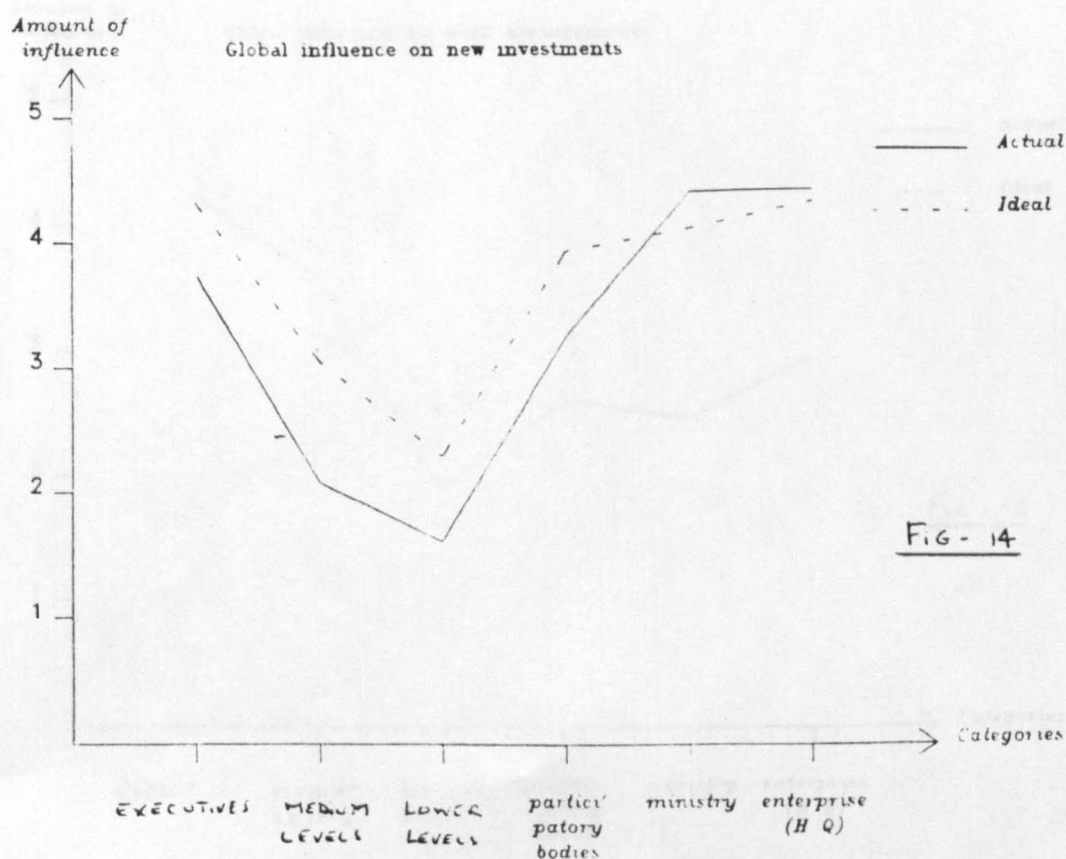


TABLE 15 GLOBAL INFLUENCE ON WORK ARRANGEMENTS -ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	2	7	9	20	44	4.18
Medium levels	6	14	13	23	23	3.54
Lower levels	44	15	10	4	4	1.82
Participatory bodies	26	16	15	8	12	2.53
Supervisory authority	34	12	8	10	12	2.39
Headquarters	24	13	9	13	20	2.90
<u>IDEAL</u>						
Executives	1	2	15	14	49	4.33
Medium levels	7	3	17	23	28	3.79
Lower levels	19	26	12	7	8	2.43
Participatory bodies	16	13	11	12	26	3.24
Supervisory authority	26	7	10	13	22	2.97
Headquarters	20	3	12	11	34	3.45

\* No influence at all

+ A lot of influence

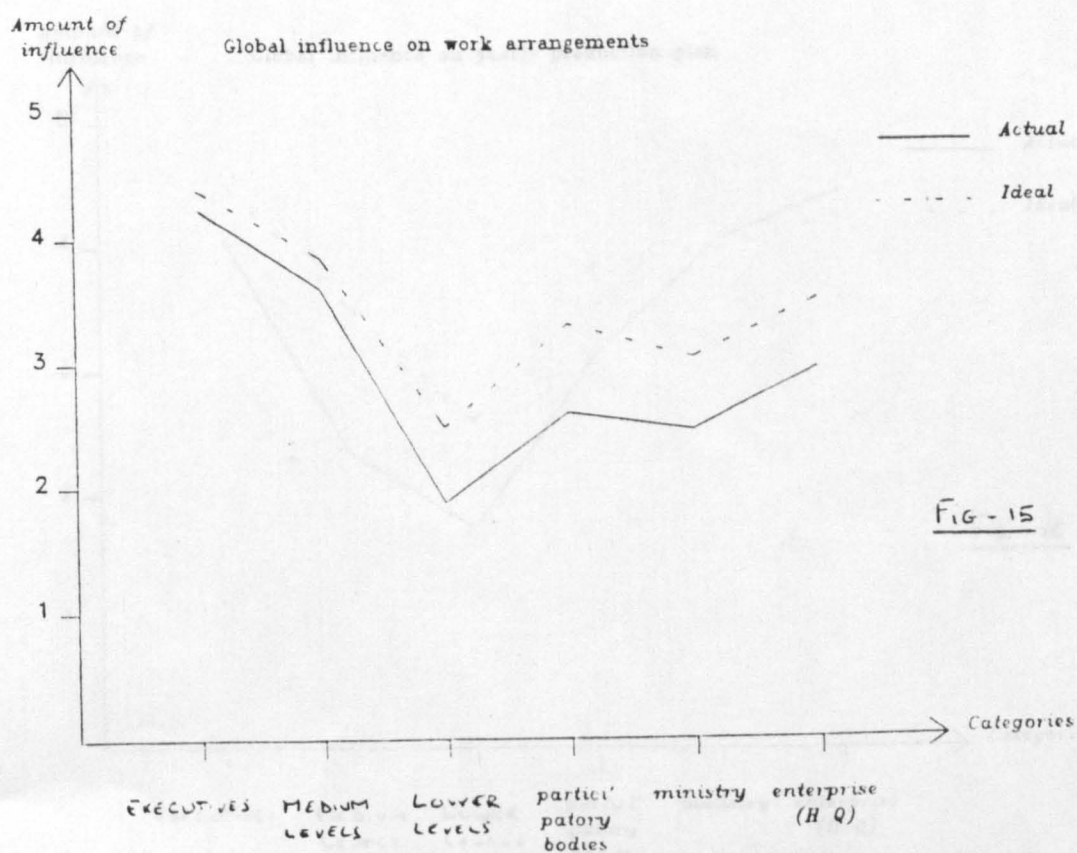


TABLE 16 GLOBAL INFLUENCE ON YEARLY PRODUCTION -PLAN - ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	0	13	10	21	38	4.02
Medium levels	26	16	24	5	5	2.30
Lower levels	53	5	10	8	1	1.69
Participatory bodies	14	13	20	12	18	3.09
Supervisory authority	6	4	15	16	41	4.00
Headquarters	2	4	7	17	55	4.40
<u>IDEAL</u>						
Executives	0	1	10	20	51	4.48
Medium levels	5	15	17	20	21	3.47
Lower levels	22	19	16	9	10	2.55
Participatory bodies	3	12	14	24	32	3.82
Supervisory authority	9	4	14	14	43	3.93
Headquarters	5	5	9	17	51	4.20

\* No influence at all

+ A lot of influence

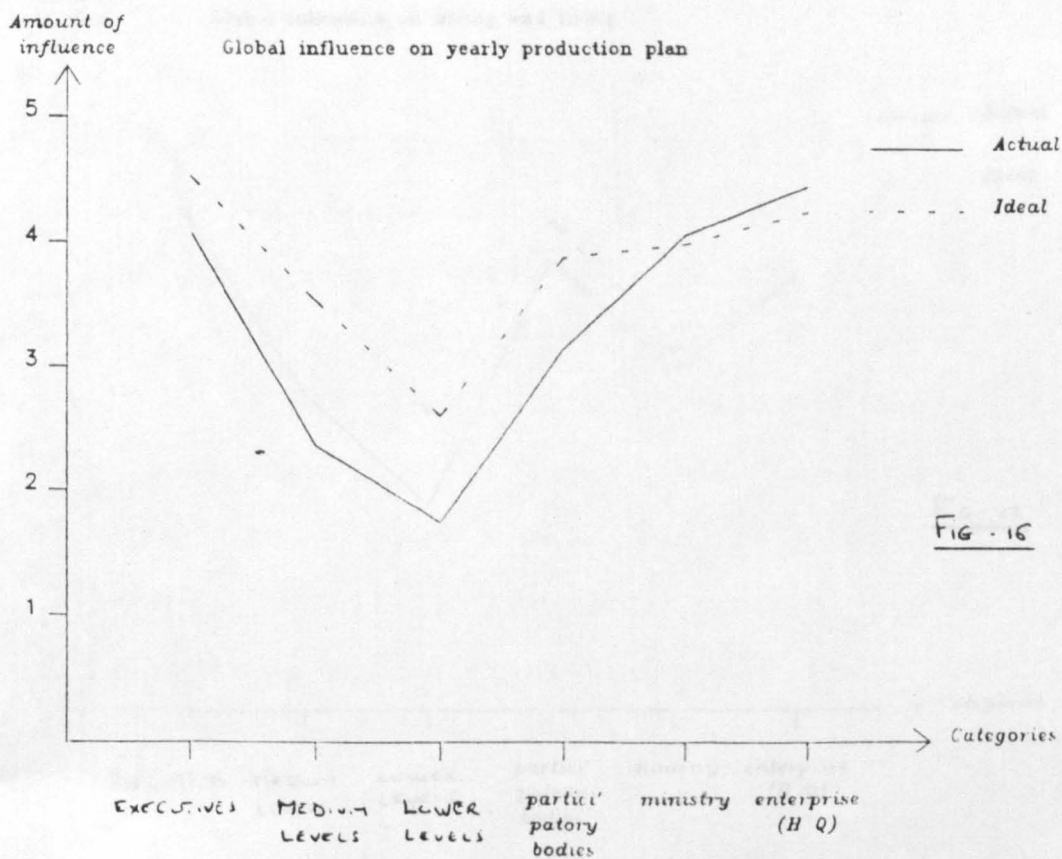
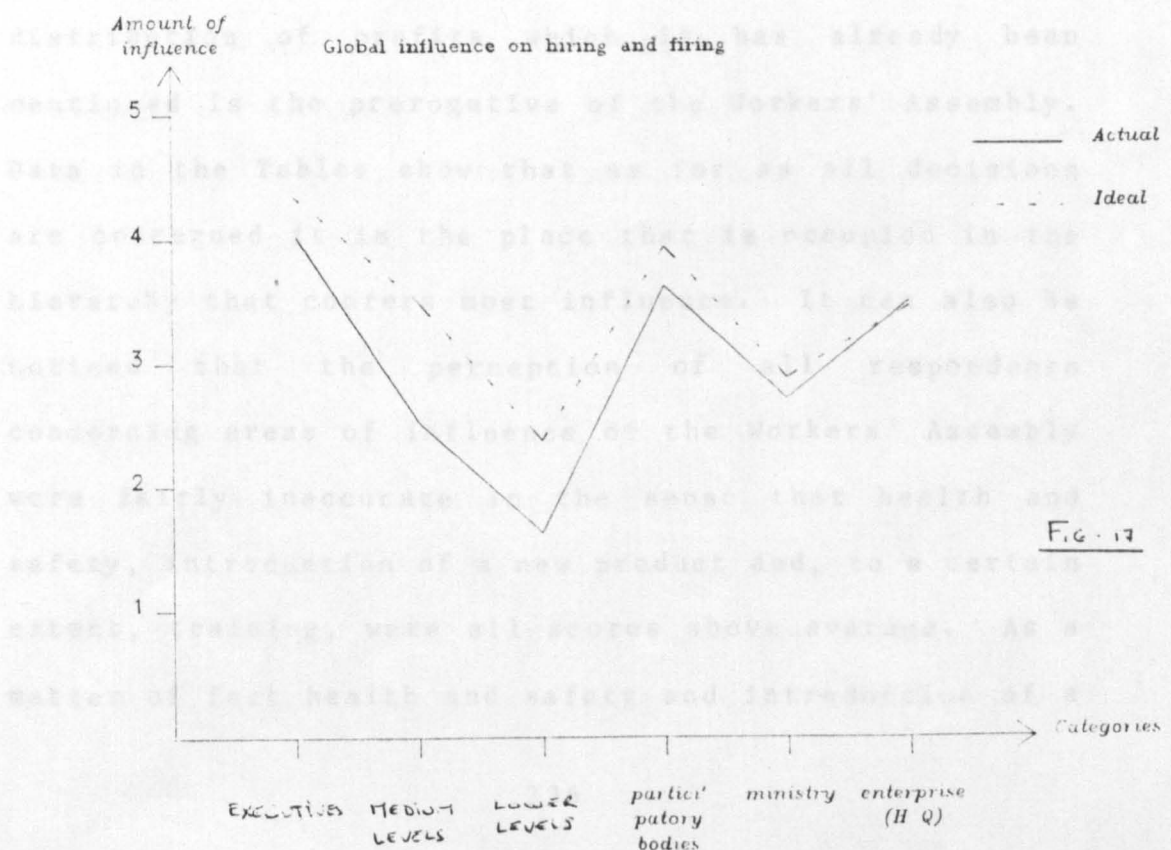




TABLE 17 GLOBAL INFLUENCE ON HIRING AND FIRING -ACTUAL AND IDEAL

<u>ACTUAL</u>	1*	2	3	4	5+	Mean Score
Executives	9	3	7	22	39	3.98
Medium levels	26	15	15	15	6	2.48
Lower levels	59	2	7	7	2	1.58
Participatory bodies	11	5	18	25	25	3.57
Supervisory authority	29	10	11	10	16	2.66
Headquarters	20	6	9	13	35	3.45
<u>IDEAL</u>						
Executives	2	5	10	15	50	4.29
Medium levels	12	10	15	19	26	3.45
Lower levels	31	18	11	8	10	2.33
Participatory bodies	6	7	11	26	34	3.89
Supervisory authority	33	6	8	12	23	2.83
Headquarters	29	2	4	9	43	3.40

\* No influence at all                      + A lot of influence



Distribution of influence as reported by the different categories of personnel on the various issues

Lower levels scores will be ignored in this section because they are all below average and showed that this particular category does not have any significant impact on any decision. This confirms what has been found all through this study in that they are not associated and are in no way co-managers of their organisation as specified in the SME Charter, even though they would very much like to be involved in the decision making process in all areas, as has been shown in the previous sections.

When Tables 18, 19 and 20 are compared it can be noticed that higher levels have by far the highest amount of influence with an average mean score of 4, to the exception of the last three decisions in the table. Their lowest area of influence is related to the distribution of profits which it has already been mentioned is the prerogative of the Workers' Assembly. Data in the Tables show that as far as all decisions are concerned it is the place that is occupied in the hierarchy that confers most influence. It can also be noticed that the perception of all respondents concerning areas of influence of the Workers' Assembly were fairly inaccurate in the sense that health and safety, introduction of a new product and, to a certain extent, training, were all scores above average. As a matter of fact health and safety and introduction of a



new product were respectively ranked first with an average mean score of 4.5 and third, with an average mean score of 4.15 (see Table 20). It is most surprising though to find that the distribution of profit decision is ranked in fifth position with an average mean score of 3.87. Indeed during my successive visits to this unit there was a belief from personnel that distribution of profits is the decision area where Workers' Assembly members perceived themselves most influential. However, there is a very strong feeling among workers' representatives that despite their right to dispose of profits as they choose, this right has been taken over by outside authorities who did not, for example, release benefits for the year ending 1982.

As far as ideal influence is concerned, workers' representatives would be prepared to have their influence reduced in new investments and introduction of a new product decisions, if this entailed an increase in deciding on distribution of profits. This is a very interesting finding which clashes with international trends, in that they are prepared to relinquish some of their influence as regard to distant level decision areas.

It is interesting to note from Table 18, 19 and 20 that these categories of personnel would like to be more involved in health and safety matters which is an important aspect in the sense that in the west,

although important, it is not a paramount issue. It can be noted that the same comments were made regarding housing.

In summary most of the hypothesis that were put forward in chapter 5 seem to be confirmed. However what the analysis showed is that the scale of deep rooted resentment from some sections of personnel, as reflected through the control graphs and more specifically through items 61 to 77 of the questionnaire, is far more acute than suspected at first during the interviews. The general conclusion is that the Socialist Management of Enterprises Charter has not been translated fully into practice. All the findings suggest that at CMB some deep rooted problems have to be overcome on the long and hard path of democratisation. By and large a change in higher management attitudes and an improvement in communication procedures between workers' representatives and rank and file members seem to be the first steps towards improving the situation. However what has been witnessed in this study is that the system that is applied is no more than a 'glorified' system of representation very far from the system of producer-manager that was supposed to be operating.

Of course the basic question that should be asked is as to whether the system that is in operation, that is 'Socialist Management of Enterprises', can bring greater democratisation. All through the preceeding chapters, there has been some criticism and warnings

about the very results that were arrived at. Despite these flaws some beneficial outcomes have been derived such as improved responsabilisation of the workforce, increase in the total amount of influence, sensibilisation of workers to management issues and identification with national goals.

Competence is a crucial issue that is having a detrimental impact on participatory procedures in Algeria. This problem has also been noted in other countries, and in this respect the responsibility of the unions is total in the sense that it failed to tackle this problem. (I will expand on this aspect in the next chapter).

Among other things, this analysis has confirmed that the mere existence of participatory procedures in an organisation is no guarantee that the procedures will in fact provide a means for workers to exercise control. Participative schemes in other words may not be effective in achieving real participation (Tannenbaum et al, 1981). Moreover it has been confirmed that participation is more likely to be the outcome of changes in the power structure than the reason for it. To that effect, changes in some provisions of the Charter which provide for imbalance in representativity, within the managing council, ought to be the first task. These changes are necessary considering that in Algeria lower level workers displayed a willingness to participate and want to be involved in decisions affecting them.

TABLE 18 RANKED DISTRIBUTION OF INFLUENCE AS  
REPORTED BY HIGHER LEVELS ON THE VARIOUS ISSUES -  
ACTUAL AND IDEAL - N = 14

RANK		ACTUAL	IDEAL
1	Repartition of Tasks	4.54	4.54
2	Replacement of Material	4.25	4.33
3	New Investments	4.23	4.50
4	Hiring and Firing	4.18	4.58
5	Setting Annual Production Plans	4.15	4.71
6	Promotion	4.08	4.46
7	Health and Safety	4.08	4.58
8	Introduction of a New Product	4.08	4.54
9	Training	4.00	4.36
10	Future Objectives	3.92	4.43
11	Creation of a New Department	3.77	4.31
12	Distribution of Profits	3.25	4.31

TABLE 19 RANKED DISTRIBUTION OF INFLUENCE AS  
REPORTED BY MEDIUM LEVELS ON THE VARIOUS ISSUES -  
ACTUAL AND IDEAL - N = 41

RANK		ACTUAL	IDEAL
1	Repartition of Tasks	3.27	3.73
2	Replacement of Material	3.22	3.17
3	Health and Safety	2.97	4.18
4	Training	2.78	3.14
5	Introduction of a New Product	2.44	3.20
6	Hiring and Firing	2.39	3.14
7	Promotion	2.39	3.36
8	Distribution of Profits	2.18	3.06
9	Future Objectives	2.16	2.66
10	Creation of a New Department	2.07	2.74
11	Setting Annual Production Plans	2.06	3.41
12	New Investments	1.88	2.79

TABLE 20 RANKED DISTRIBUTION OF INFLUENCE AS  
REPORTED BY MEMBERS OF THE WORKERS' ASSEMBLY  
ON THE VARIOUS ISSUES - ACTUAL AND IDEAL - N = 13

RANK		ACTUAL	IDEAL
1	Health and Safety	4.50	4.87
2	New Investments	4.50	4.38
3	Introduction of a New Product	4.15	4.13
4	Hiring and Firing	4.14	4.14
5	Distribution of Profits	3.87	4.38
6	Replacement of Material	3.71	4.00
7	Promotion	3.56	3.78
8	Setting Annual Production Plans	3.43	4.25
9	Training	3.13	3.78
10	Future Objectives	3.00	3.78
11	Repartition of Tasks	2.86	3.00
12	Creation of a New Department	2.75	3.25

IMPLICATIONS AND CONCLUSION

A review of countries like Algeria and Yugoslavia showed that the long and devastating wars of liberation have given rise to demands for a more egalitarian society. This, it is believed, can only be achieved through socialism and in that respect self-management or any model of 'true' workers' participation, for that matter, shall not and cannot operate on the assumption of a potential symbiosis of inherently antagonistic class interests, as is clearly the case in France and most definitely in Germany. The basis for an egalitarian and democratic society posits, as a condition, the abolition of private ownership and the structure of rewards based upon it.

However, as shown earlier, even in 'socialist' systems such as Yugoslavia and Algeria where the notion of private ownership has been abolished, the progress towards a more democratic society through schemes of workers' control has been impeded. And in that sense, the actual participation of workers in their organisations, as displayed, is by no means a model of institutional self-management.

As mentioned before, no model of participation is exportable as a whole. This is due to the fact that each case is influenced by the specific historical and

cultural traditions existing in each country. Nevertheless, this study shows that irrespective of national conditions some problems/or successes of workers' participation tend to reproduce themselves. I will, in the following, concentrate on some of the outcomes.

One of the possibly unexpected outcomes of participatory procedures is that it strengthened managerial influence. For example, Kavic et al (1970) suggested that in spite of the structure of self-management, Yugoslav managers have more power than in any of the countries studied coupled, however, with a smaller power distance. In the same vein Bartolke et al (1982) found that in the more participative plants, managers perceived themselves as exercising more influence than did managers in the less participative plants. Similar results were derived in the Algerian case study where it has been found that managerial levels held a greater amount of influence as compared to lower levels. Although the control graph analysis also suggested, similarly to the IDE research in the case of Yugoslavia, that members of the workers' assembly and, more importantly, outside authorities also constituted additional peak patterns as reflected in the control graphs.

The question that arises is how do managers gain more influence in the context of participatory models that are supposed to level the distribution of influence? I will propose two major explanations. As seen in the



Algerian study there is great difficulty on the part of representatives to 'switch' from the role of subordinate as held in the day-to-day management within a traditional hierarchy, to the role of 'equality' that is supposed to operate during the meetings of the managing councils. Secondly, large differences in expertise in favour of management provide the latter with additional powers.

Indeed evidence suggests that difference in expertise between management and other categories is a major factor affecting effective participation of lower levels. In a study of Yugoslavian firms Obradovic (1975) found that the Yugoslav councils debates were "... Largely dominated by high level managers and technical experts... with the result that rank and file members participate less actively than theory might suggest". Similar results were derived by (Brockmeyer, 1970; Kolaja, 1965; Thomsson and Emery, 1966 and the Biedenkopf Commission, 1970). In under-developed countries such as Algeria this disparity in expertise is certainly much more acute considering the high level of illiteracy on a national level.

The Algerian case study revealed that the level of illiteracy was quite high among members of the workers' assembly and generated a great amount of distrust on the part of the people they were representing. It is however interesting to note that the various committees that have been set up in order to advise and undertake

research on behalf of the workers' assembly were fairly efficient. These procedures, such as advisory committees for workers, could be considered as a positive step in under-developed countries. These are however only short term measures which are insufficient if the aim is to improve the general level of education of the workforce and also mobilise a newly industrialised workforce, as is usually the case in developing countries. This role can only be undertaken by a strong, independent and dynamic national union in the long run.

The most important feature in any programme intending to promote workers' control should be training in methods and practices of participation. Moreover joint programmes of training should be developed and have as a prime aim to harmonise attitudes between lower levels and managerial levels in order to improve co-operation and motivating them to want it.

In the three countries we have analysed (Germany, France and Yugoslavia) as well as in the Algerian case study, it has been seen that traditional and authoritarian managerial attitudes are still prevalent despite the introduction of participatory models designed to curtail those attitudes. The case study certainly showed that in the Algerian context there are strong indications that the management function is still very much associated with authority. In fact some senior levels clearly displayed their reluctance in sharing

power with workers and their representatives whom they often described as inexperienced and unable to grasp important management issues. However it is felt that there are more profound explanations to the aforementioned type of behaviour on the part of senior levels and more particularly on the part of middle management, who appear to feel threatened by the sudden upsurge in influence that the SME scheme is meant to provide ordinary workers. I will list below a series of factors which may have strengthened these authoritarian attitudes.

- The rapid promotion of junior managers to replace members of the previous colonial administration has been too fast and resulted in a feeling of insecurity which led to over-emphasising authority as a defense mechanism.
- An education system which is geared towards western management culture. In that respect, the large influx of personnel from France, which was needed in order to keep universities and schools operating, largely contributed to this situation.
- Import of technology, necessitating managerial professionalism which, in turn entails technological dependency.

- Important positions in industry are held by ex-members of the FLN who, by and large, favour bureaucratic structures reminiscent of a highly structured system operating during the war.

I believe that the 'traditional' role of managers in under-developed but also in western capitalist societies should be re-examined if any progress towards more participation is to become a reality. An important feature of under-developed countries is resistance to change and some evidence has been produced in the case study in the context of Algeria. Therefore, as mentioned earlier, training procedures primarily targetted at management levels would help change those authoritarian styles into democratic ones, enhancing the spirit of participation. These last measures coupled with a reshaping of environmental conditions more into line with local conditions are a prerequisite for the creation and enhancement of a participative society.

As far as industrialised countries are concerned the traditional role of managers is already changing. This is due to two factors. Firstly an increasingly knowledgeable workforce is able to question the value of any decision that is to be taken. Secondly, we are witnessing the emergence of a new breed of specialists following the 'micro chip' revolution. Argenti (1976) expects that these specialists or experts will reign

in western industrial societies, with managers acting as advisers to the people they used to manage.

#### Excess of legalism

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The impact of outside authorities' influence on Algerian organisations is much greater than compared to other countries. The ministry or supervisory authority plays a specific role in the sense that, unlike most of the other countries studied in this thesis, long term decisions are subject to these authorities' approval. Obviously some benefits may occur from these procedures in the sense that a more co-ordinated and efficient development of resources at macro level is more likely to be achieved. Unfortunately, the increasing level of legalism that regulates relations between outside authorities and organisations, added to the increasingly complex regulations already operating within those organisations, could hardly be considered as catalytic for participation. In West Germany we have seen, for example, that extremely complex and cumbersome procedures are involved in appointing members of the Executive Board when the two third majority is not obtained in the supervisory board. In Yugoslavia the excessive legalism of the 'Associated Labour Law' of 1975, and subsequent reforms, have certainly not contributed to a better understanding of procedures as far as lower levels are concerned. Finally, in Algeria I have shown that within the steel industry the

burgeoning of laws and amendments has certainly created serious dysfunctions as to relations involving unit enterprise and ministry.

From the above, the necessity of appointing full time legal experts will become unavoidable and will probably lead to a professionalisation that is subject to the criticism we mentioned earlier in this chapter. It is recognised that any participatory system ought to have its structures and functions regulated and some have suggested that "given the framework of hierarchy, introducing more rules for employee participation is the most efficient way of increasing employee involvement, particularly that of employee representatives and of equalising the distribution of power" (IDE, 1981).

However, too many rules and procedures may hinder the process of participation because lower level workers, more so in under-developed countries, would be less inclined to participate regularly and effectively in procedures which are over complex. In short, it is feared that excess of legalism would put off lower level workers' involvement in participative procedures they would be unable to understand.

It is unfortunate that research is very sparse on this important issue.

Workers attitudes towards participation and its extent has on the other hand been studied extensively and there is growing evidence to suggest that there is little or no interest among workers in participating, Rus (1970), Derber (1970), Walker (1972). Supporters of authoritarian structures for whom participation, whatever its degree, is anathema, used these findings to further discredit and oppose the introduction of participatory procedures, where in fact, this lack of interest was primarily due to the lack of opportunity to participate in shopfloor level decision making, as has been discussed by Pateman (1970), Emery and Thorsrud (1969) and Kalrson (1973). In Algeria, however, evidence suggests that members prefer a greater total amount of control than they perceived was existing on a wide range of decisions, whether short term or long term. Furthermore it seems that despite the problems encountered in CMB, workers still want more involvement in decision making, and have been fairly favourable in their assessment of the likely consequences of SME (see previous chapter). Obviously, it is important to recognise that attitudes are not static. These may change depending on the extent to which workers interests and expectations have been fulfilled in the long process of implementing genuine democratic procedures in decision taking.

Organisational size has proved to be an important variable to be taken into account and appears to have direct influence on the future healthy development of workers' management. Large organisations are not, as has been shown in the Algerian case, conducive to the fulfilment of values of workers' management. It has been shown that there is a positive correlation between complex rules and procedures and large concerns. This in turn engenders strong and persistent dysfunctions in the organisation. It is interesting to note that two of the countries pursuing a 'socialist' ideology (Algeria and Yugoslavia\*) have reversed from large to smaller concerns in view of the various problems that have been commented upon previously. At micro level, within the framework of BOAL's, these changes seem to have some success in Yugoslavia. Unfortunately, however, these changes have been combined with drastic transformations of the socio-economic environment. Therefore one must remain sceptical about the claim that 'self-management' is able to succeed in its attempt to lessen or even 'eradicate' organisational repression and workers' alienation even within the

\* Some commentators, including myself, might contest that Yugoslavia is presently socialist (see section on Yugoslavia for more extensive comments).



context of large concerns. In Algeria it is far too early to assess the impact of the new restructuring scheme in industry (it will be interesting for future research to assess the consequences), however some of the dysfunctions mentioned in an earlier chapter, which were associated with organisational size, will have a better chance of being resolved. As argued by Tannenbaum et al (1974) large organisations are indeed not adaptable to socialist management. Large organisations are created because of the drive for profits and they are an outgrowth, therefore, of capitalist values and mode of production. Large organisations need not arise in the absence of profit motive and the subjugation of man to machine.

Finally, it seems that when there is juxtaposition of hierarchical and democratic structures, almost invariably and within any context, it results in the latter one being made redundant. The IDE research (1981) showed that hierarchical level is a stronger predictor of power distribution within organisations than size, type of industry or country.

Hierarchy involves at least four modes of unequal resources, inequality of skills and knowledge, rewards, authority and access to information (Evan, 1976) which are all antonyms to the spirit of workers' management. And it seems that the major reason why attempts at democratising the decision making process have been unsuccessful in both capitalist and socialist systems

is that model builders simply grafted their participatory models onto existing traditional structures. Whereas there should have been in the first place a major organisational restructuring.

Hierarchical structures are still with us and will be for many years to come. However, there is no denying that there are consistent efforts to lessen the unfavourable outcomes of hierarchy with the introduction of, for example, staff and line structures where staff personnel are outside the traditional line of authority in an advisory capacity. And also matrix structures, with several variants, where dual authority replaces unit of command.

It is hoped that this momentum will be maintained and ultimately culminate in the creation of non-hierarchical organisations where workers will have a better chance of participating successfully.

It must be stated, before concluding, that carrying out a project on this scale has changed some of my earlier views, particularly on the Algerian model which have been stated in the introduction. More importantly, after having become detached from personal involvement in the Algerian context and spending four years of total commitment on this research, it has proved to be an invaluable experience contributing to my change in attitude.

In conclusion, this study has shown that nowhere a model has emerged as a typical case of workers' control, with labour having full and direct participation. Moreover the mere presence of workers' councils is by no means a guarantee that workers effectively participate.

In Algeria, although the process of implementation is still under way, all the signs are that the ideal of 'worker - manager' is still very far off realisation. Indeed as shown on most issues, managerial levels are still in control and are likely to gain more control despite the many amendments to the original 'Code et Charte de la Gestion Socialiste des Entreprises' and the subsequent contextual changes. However, contrary to other models, Algeria's commitment to socialism is still very strong. The education role SME is performing as far as ordinary workers are concerned give reasons to believe that, despite the theoretical and practical problems mentioned before, there is still hope that it will bring some success in the future. Success in alleviating alienation, organisational repression and also in lessening power differentials that exist between higher and lower level workers. The answer to the question as to whether power equalisation will ever be realised in the context of an ideal self or socialist managed organisation and result ultimately in the direct control by workers of the management function is still hard to envisage. This will, of course, depend on how the Algerian, or any model for that matter, will

react to the structural and contextual problems that emerge during its development.

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ATTITUDES TOWARDS SME, AS REPORTED BY ALL MEMBERS - N = 98

SCALE ----- ISSUES	Yes Definitely %	To a Certain Extent %	Not at All %
More Efficient Management	34	53	13
More Equalised Power	31	49	20
Improvement in the Condition of Work	43	41	16
Power Decrease for Higher Levels	20	46	34
Better Job Security	55	35	10
Better Flow of Information	38	43	19
Better Material Satisfaction	41	33	26
Bette Morale Satisfaction	28	43	29
Better Climate	35	40	25
Workers are more Conscious of their Responsibilities	44	41	15
Decisions become more Acceptable	34	47	19
Loss of Time in Taking Important Decisions	29	46	25
Added to Bureaucracy	27	42	31
Eliminate Serious Conflict	42	42	17
Better Communication	36	42	22
Improvement in the Quality of Decisions at Enterprise Level	41	39	20
Lowering of the Quality of Decisions in this Unit Because Representatives do not have the Necessary Expertise	35	47	18

ATTITUDES TOWARDS SME, AS REPORTED BY HIGHER LEVEL WORKERS -

N = 14

SCALE ----- ISSUES	Yes Definitely %	To a Certain Extent %	Not at All %
More Efficient Management	36	57	7
More Equalised Power	29	64	7
Improvement in the Condition of Work	36	57	7
Power Decrease for Higher Levels	14	36	50
Better Job Security	43	50	7
Better Flow of Information	36	36	29
Better Material Satisfaction	8	62	31
Bette Morale Satisfaction	29	43	29
Better Climate	36	36	29
Workers are more Conscious of their Responsibilities	29	50	21
Decisions become more Acceptable	29	64	7
Loss of Time in Taking Important Decisions	31	46	23
Added to Bureaucracy	31	31	39
Eliminate Serious Conflict	29	50	21
Better Communication	21	43	36
Improvement in the Quality of Decisions at Enterprise Level	36	36	29
Lowering of the Quality of Decisions in this Unit Because Representatives do not have the Necessary Expertise	15	69	15

ATTITUDES TOWARDS SME, AS REPORTED BY MEDIUM LEVEL WORKERS -

N = 41

SCALE ----- ISSUES	Yes Definitely %	To a Certain Extent %	Not at All %
More Efficient Management	32	58	10
More Equalised Power	35	43	23
Improvement in the Condition of Work	45	40	15
Power Decrease for Higher Levels	18	55	28
Better Job Security	65	28	8
Better Flow of Information	33	55	13
Better Material Satisfaction	43	35	23
Bette Morale Satisfaction	26	51	23
Better Climate	33	45	23
Workers are more Conscious of their Responsibilities	53	33	15
Decisions become more Acceptable	41	36	23
Loss of Time in Taking Important Decisions	28	46	26
Added to Bureaucracy	28	51	21
Eliminate Serious Conflict	50	45	5
Better Communication	45	37	18
Improvement in the Quality of Decisions at Enterprise Level	46	33	21
Lowering of the Quality of Decisions in this Unit Because Representatives do not have the Necessary Expertise	38	43	20

ATTITUDES TOWARDS SME, AS REPORTED BY LOWER LEVEL WORKERS -

N = 43

SCALE ----- ISSUES	Yes Definitely %	To a Certain Extent %	Not at All %
More Efficient Management	36	48	17
More Equalised Power	28	51	21
Improvement in the Condition of Work	44	37	19
Power Decrease for Higher Levels	24	42	34
Better Job Security	49	37	14
Better Flow of Information	44	35	21
Better Material Satisfaction	49	23	28
Bette Morale Satisfaction	30	35	35
Better Climate	37	37	26
Workers are more Conscious of their Responsibilities	42	47	12
Decisions become more Acceptable	29	52	19
Loss of Time in Taking Important Decisions	29	46	24
Added to Bureaucracy	25	38	38
Eliminate Serious Conflict	42	42	17
Better Communication	33	45	21
Improvement in the Quality of Decisions at Enterprise Level	38	45	17
Lowering of the Quality of Decisions in this Unit Because Representatives do not have the Necessary Expertise	38	45	17

ATTITUDES TOWARDS SME, AS REPORTED BY MEMBERS OF THE

WORKERS' ASSEMBLY OF THE UNIT - N = 13

SCALE ----- ISSUES	Yes Definitely %	To a Certain Extent %	Not at All %
More Efficient Management	8	75	17
More Equalised Power	17	58	25
Improvement in the Condition of Work	33	58	8
Power Decrease for Higher Levels	25	67	8
Better Job Security	50	50	-
Better Flow of Information	50	42	8
Better Material Satisfaction	58	25	17
Bette Morale Satisfaction	8	67	25
Better Climate	33	42	25
Workers are more Conscious of their Responsibilities	58	33	8
Decisions become more Acceptable	42	33	25
Loss of Time in Taking Important Decisions	8	75	17
Added to Bureaucracy	25	42	33
Eliminate Serious Conflict	50	33	17
Better Communication	42	42	17
Improvement in the Quality of Decisions at Enterprise Level	50	33	17
Lowering of the Quality of Decisions in this Unit Because Representatives do not have the Necessary Expertise	17	58	25



**TEXT  
CUT OFF IN THE  
ORIGINAL**

Provided that permanent workers who left the undertaking on account of events resulting from the struggle for liberation shall be exempt from the last-mentioned condition.

4. Seasonal workers shall not be members of the workers' general meeting or enjoy any of the rights and prerogatives of members.

5. The director, on the advice of the competent services and that of the local council for the promotion of self-management shall—

draw up the list of members of the workers' general meeting and issue members' cards;

fix each year the optimum number of permanent workers necessary from the technical point of view for carrying out the economic programme of the undertaking.

6. Each member of the workers' general meeting shall have one vote. Voting by proxy shall be prohibited.

All voting shall take place by secret ballot. Two-thirds of the registered members must be present at the workers' general meeting to form a quorum.

All decisions shall be taken on a simple majority vote of the members present.

7. No worker who is entitled to participate in the work of the workers' general meeting may be excluded therefrom except in the case of grave negligence or misconduct.

The burden of proof of such grave negligence or misconduct shall be incumbent on the workers' council (or the workers' general meeting if there is no workers' council).

8. The workers' general meeting shall be convoked by the workers' council or the managing committee at least once every three months. Extraordinary sittings of the meeting may be convoked at the request of one-third of its members. In undertakings where there are less than 30 workers there shall be a workers' general meeting instead of a workers' council.

9. The workers' general meeting shall—

adopt the development plan for the undertaking within the framework of the national plan and the annual programmes for capital investment, production and marketing;

adopt rules for the organisation of the work and for the definition and assignment to the workers of their tasks and responsibilities;

approve the accounts at the end of each financial year;

elect or appoint a managing committee (where applicable)

## ALGERIA 1

(A) Decree No. 63-25, respecting the organisation and management of vacated industrial, mining, handicraft and agricultural undertakings. Dated 22 March 1963. (*Journal Officiel*, 29 March 1963, No. 17, p. 298.)

### PART I. THE ORGANISATION OF SELF-MANAGEMENT

1. All vacated industrial, mining and agricultural undertakings shall be run on the principle of self-management by the workers through the following organs:

- (a) the workers' general meeting;
- (b) the workers' council;
- (c) the managing committee;
- (d) the director:

Provided that by decision of the President of the Council of Ministers certain undertakings of national importance may be considered to fall within the public sector and be managed by public or semi-public bodies or nationalised companies.

#### Chapter I. The Workers' General Meeting

2. The workers' general meeting shall be composed of the permanently employed workers in the undertaking who fulfil the conditions laid down in sections 3, 4 and 5.

The number of members of the workers' general meeting shall be fixed each year according to the degree of development and intensification of the undertaking.

The plan for the development and intensification of the undertaking shall be in conformity with the national development plan.

3. To be a member of the workers' general meeting a worker shall fulfil the following conditions:

- be of Algerian nationality;
- be at least 18 years of age;
- not be deprived of his civil rights;
- be actively engaged in work for which he has the necessary skills;
- have as his principal source of income only the remuneration from his work in the undertaking;
- have been continually employed in the undertaking for at least six months without interruption;

### Chapter II. The Workers' Council

10. The workers' council, chosen from among the members of the workers' general meeting of the undertaking, shall be composed (subject to an upper limit of 100 members) of at least one member for every 15 workers or fraction of that number; in any case the number of members shall not be less than ten.

11. At least two-thirds of the members of the workers' council shall be employed directly in production in the undertaking. The conditions for voting shall be the same as those laid down in section 6 for the workers' general meeting.

12. The members of the workers' council shall be elected for three years; each year in rotation the term of office of one-third of the members shall expire and fresh elections held; outgoing members may be re-elected.

13. The workers' council shall meet at least once a month by decision of the managing committee. Extraordinary sittings of the workers' council may be called for by one-third of the members of the council.

14. The workers' council shall--  
adopt the employment rules of the undertaking;  
decide on the purchase and sale of capital plant and equipment within the framework of the annual programme for capital investment adopted by the workers' general meeting: Provided that the initial capital assets shall not be allowed to diminish;  
make decisions with respect to long-term and medium-term loans, within the framework of the development plan adopted by the workers' general meeting;  
make decisions with respect to the expulsion of members (subject to appeal to the workers' general meeting);  
make decisions with respect to the admission of new permanent workers within the limits provided for in sections 3, 4 and 5 of this Decree. When the council is not sitting, the director may act in its stead. In admitting new workers, priority shall be given to war veterans or victims of repression;  
examine the accounts at the end of each financial year before they are submitted to the workers' general meeting;  
elect the managing committee and exercise supervisory functions over its activities.

### Chapter III. The Managing Committee

15. The managing committee shall be composed of three

members; at least two-thirds of the members of the managing committee shall be workers directly employed in production. The managing committee shall elect each year a chairman from among its own members.

As in the case of the workers' council, the term of office one-third of the members of the managing committee shall expire in rotation each year, followed by fresh elections at which outgoing members may be re-elected.

16. The managing committee shall be responsible for managing the undertaking; it shall, *inter alia*--

draw up the development plan for the undertaking within the framework of the national plan and the annual programme for capital investment, production and marketing;

draw up rules for the organisation of the work and for the definition and assignment to the workers of their tasks and responsibilities;

draw up the accounts at the end of each financial year;

prepare matters for decision by the workers' council;

make decisions with respect to short-term loans within the framework of the annual programmes for capital investment, production and marketing;

make decisions with respect to the mode of purchasing necessary supplies, such as raw materials, seeds, etc., within the framework of the annual production programme;

make decisions with respect to the mode of marketing products and services;

deal with problems arising out of production, including the hiring of seasonal workers.

17. The managing committee shall meet at least once a month and as often as the interests of the undertaking so require it shall be convoked by its chairman.

It may allow to be present at its meetings, in an advisory capacity, members of the workers' council or of the workers' general meeting who are in a position to explain proposals and suggestions previously submitted to the managing committee and concerning the running of the undertaking.

18. Two-thirds of the members of the managing committee including the director, must be present to form a quorum. All decisions shall be adopted by simple majority vote of the members present.

In the case of a tie the chairman shall have the casting vote.

19. The chairman of the managing committee shall



3. The contributions to the national community shall be composed of levies for—

the sinking fund of the self-managed undertaking. The amount of such levy and the sum to which it shall be put shall be prescribed by regulations; Provided that the undertaking may be exempted partly or totally from such levy by the supervisory authority, if this is necessitated by internal or external economic circumstances;

the National Investment Fund;

the National Fund for Employment Stability.

The rules for the above funds shall be prescribed in subsequent legislation, which shall provide for the participation of workers in their administration.

In making the above levies account shall be taken of the undertaking's real possibilities of contributing within the limits of its normal production.

The amount of the levies and the mode of payment and the functioning of the National Investment Fund and the National Fund for Employment Stability shall be prescribed by regulations.

4. The actual income of the employees of a self-managed undertaking shall comprise—

- (a) the remuneration of the non-permanent employees, *inter alia*, the wages and wage benefits paid to such employees under social legislation;
- (b) the basic remuneration of the permanent employees, fixed by the supervisory authority, for each post and on the basis of minimum productivity standards;
- (c) output bonuses granted to permanent employees according to output for each post and each group of workers. These bonuses shall be fixed by the managing committee and shall be approved by the supervisory authority. They shall be paid periodically according as the actual output of the employees exceeds the minimum standards provided for in clause (b) above.

The basic remuneration and output bonuses shall be paid in cash or in kind, in the form of products of the self-managed undertaking, the value of which shall be calculated according to market prices. The mode of payment shall be prescribed by the managing committee with the assent of the director.

The same rules as regards taxation shall apply to the basic remuneration and output bonuses as to ordinary wages, and such remuneration and bonuses shall enjoy the same privileges in law as the said wages;

- (d) a distributable surplus. The workers' council or (where applicable) the workers' general meeting shall decide how such surplus is to be distributed.

the time they spend at the meetings and other activities of these bodies shall be considered as part of their normal hours of work and shall be remunerated as such.

27. Members of the above bodies shall exercise the functions entrusted to them only during meetings of the bodies of which they are members, and shall not exercise such functions outside the sittings of the said bodies unless they are expressly ordered to do so by the body of which they are members.

28. Any person who knowingly interferes with the functioning of a managing committee shall be liable to a term of imprisonment of not less than one and not more than five years or to a fine of 1,000 to 10,000 francs, or to both penalties.

29. The provisions of this Decree shall be executory as from the date of its publication, and shall take full effect within a period not exceeding one year.

30. This Decree shall nullify all provisions to the contrary

31. The modes of application of this Decree shall be stipulated in circulars issued by the President of the Republic.

32. The Minister of Justice, the Minister of the Interior, the Minister of National Defence, the Minister of Finance, the Minister of Agriculture and Agrarian Reform, the Minister of Industrialisation and Power and the Minister of Labour and Social Affairs shall be responsible, each in so far as he is concerned, for the application of this Decree, which shall be published in the Official Gazette of the Democratic and Popular Republic of Algeria.

(II) Decree No. 63-98, to prescribe rules for the distribution of the income of self-managed undertakings. Dated 23 March 1963. (*Journal Officiel*, 29 March 1963, No. 17, p. 300.)

1. The annual income of every self-managed undertaking shall be equal to the annual production of the undertaking, i.e. the sum total of the goods and services produced or supplied by the undertaking in any given year, less overhead charges other than the workers' remuneration.

The mode of calculating and the rules for assessing the above income shall be fixed by regulations.

2. The annual income thus ascertained shall be divided into two principal groups—

contributions to the national community;  
the income accruing to the workers of the self-managed undertaking.

The council may decide to deduct amounts from the above surplus for transfer to—

the investment fund of the self-managed undertaking;

the social fund of the self-managed undertaking (housing, educational equipment, leisure, health, mutual provident society, contributions to communal, trade union or co-operative funds, etc.);

any other reserve or other fund which it may deem necessary.

The balance of such surplus shall be shared out at the end of the financial year between all the members of the workers' general meeting, in proportion to their basic remuneration, plus any output bonuses granted to members of the said meeting:

Provided that the workers' general meeting may, where appropriate and on a recommendation from the managing committee, deduct a certain amount from the above surplus before its distribution, to be paid to the director and members of the managing committee by way of bonus for good management.

If the financial circumstances of the self-managed undertaking are restricted, the director may decide that the amounts payable to the members of the workers' general meeting shall be paid into a fund forming part of the undertaking's assets until its financial situation enables such amounts to be paid to the members. Such payment to the members shall in no case be permitted to increase the debts of the self-managed undertaking towards third parties.

5. If the annual income of the self-managed undertaking is not sufficient to enable it to discharge its obligations towards the workers and the national community, as defined in sections 3 and 4 above, the managing committee shall undertake the necessary financial rehabilitation on the advice of the director. The proposed measures shall be submitted to the workers' council and the workers' general meeting.

6. The director shall be responsible for ensuring that the following company documents are drawn up for the purposes of this Decree, in addition to the other accountancy documents required by law: an annual or seasonal production and marketing programme; an annual account of working costs and provisional balance sheet; an investment programme; a table of the basic remuneration and bonuses payable for each post.

7. The accounts at the end of the financial year shall include, in addition to the balance sheet, the necessary accounts for the application of sections 1, 3 and 4 above.

8. The annual income of self-managed undertakings shall be subject to the tax on industrial or commercial profits, or the

tax levied on profits from agricultural undertakings in accordance with the legislation respecting co-operatives:

Provided that the following shall be treated as costs which may be deducted:

payments to the national community, set out in section 3 above; the basic remuneration and output bonuses of permanent workers; the remuneration of non-permanent workers, *inter alia*, the wages and wage additions paid to such workers under social legislation.

9. A member of the workers' general meeting who leaves a self-managed undertaking for any reason whatsoever shall not be entitled to any share in the investment fund, the social fund, the financial sinking fund, and the reserve funds of the undertaking.

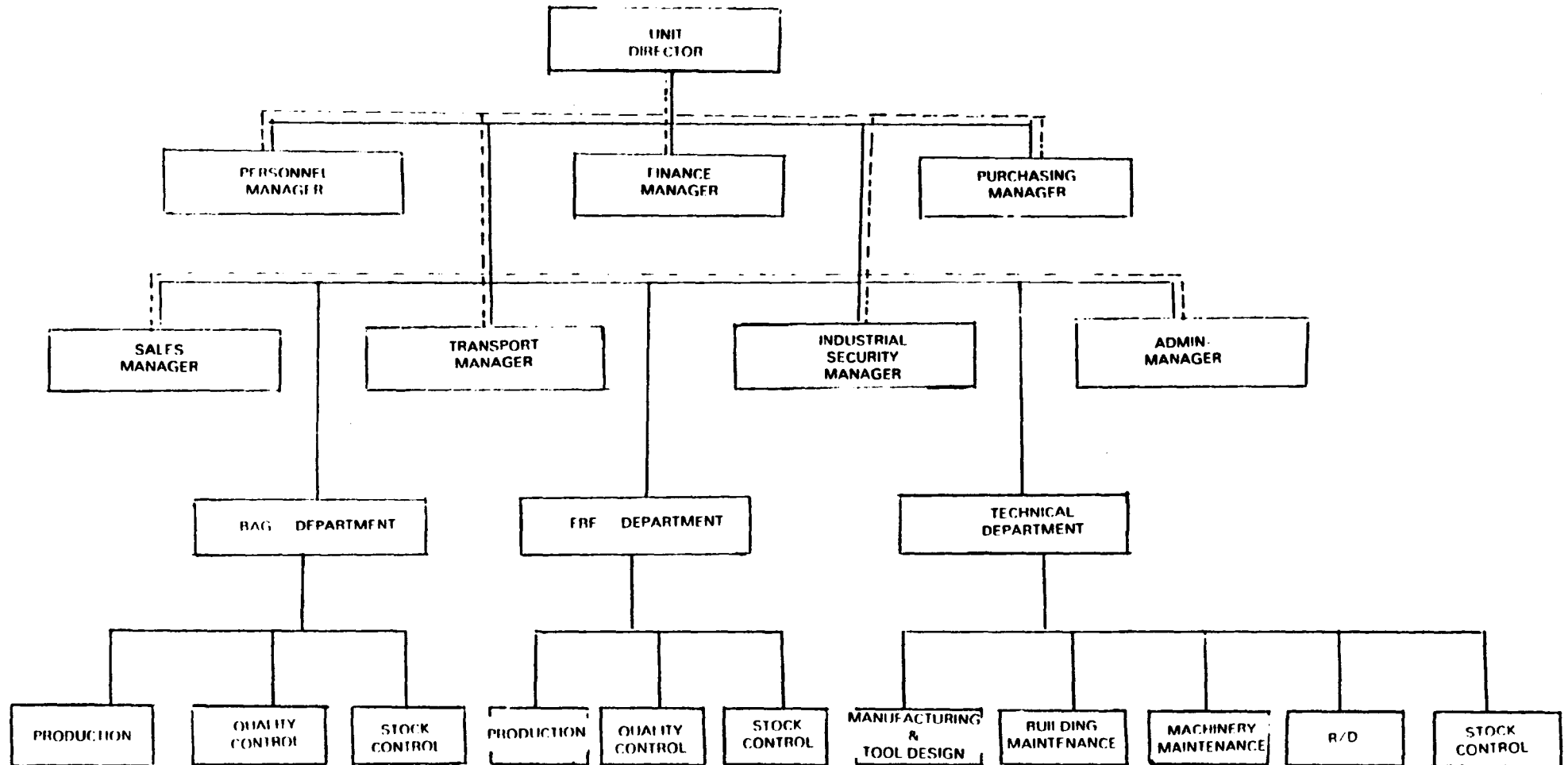
He shall be entitled *pro rata temporis* to a share in distribution of the net income, unless he was dismissed from the undertaking for grave negligence or misconduct.

10. The Minister of Justice, the Minister of the Interior, the Minister of National Defence, the Minister of Finance, the Minister of Agriculture and Agrarian Reform, the Minister of Commerce, the Minister of Industrialisation and Power and the Minister of Labour and Social Affairs shall be responsible, each in so far as he is concerned, for the application of this Decree, which shall be published in the Official Gazette of the Democratic and Popular Republic of Algeria.

Appendix 2     PRODUCTION IN TONNES OF CMB

Sector	TINS & CANS	DIVERSE	DRUMS	GAS CYLINDERS	TOTAL
----- Year					
1970	4005	3700	6362	-	14,067
1971	5849	3691	5586	-	15,126
1972	5567	3745	1459	-	12,093
1973	7187	4161	2067	3443	16,858
1974	6410	3784	2145	3846	16,185
1975	7504	4215	2672	5763	20,154
1976	8306	4632	2615	3818	19,371
1977	12042	7544	1414	3721	24,721
1978	11767	7783	2148	5099	26,796
1979	12299	8698	2666	7033	30,696
1980	11640	11430	1433	5138	28,731

## APPENDIX 3 — ORGANISATION CHART



Hierarchical relations ————

Functional relations - - - - -

Appendix 4 CATEGORIES OF PERSONNEL IN CMB

	<u>Category</u>	
	01	Ordinary worker
	02	Specialised worker
	03	Specialised worker 1st degree
	04	Specialised worker 2nd degree
Lower Levels	05	Qualified worker
	06	Professional worker 1st degree
	07	Professional worker 2nd degree
	08	Professional worker 3rd degree
	09	Highly qualified worker
	10	Foreman
	11	Foreman 1st degree
Medium Levels	12	Foreman 2nd degree
	13	Workshop supervisor
	14A-B-C	
	15A-B	
Higher Levels	16	Superior technicians, executives, engineers
	17-18	



EMB - CEM - K O U B A

Service Central du Personnel

Cellule Centrale Emploi Formation

et Etudes.

Kouba le 15 Août 1983

NOTE D'INFORMATION

Objet: Stage d'Information

Nous informons l'ensemble des responsables, que Mr. BOUGARA Omar Boursier du Ministère des Transports et de la Pêche et préparant le diplôme de Doctorat en Gestion (Management) en Angleterre; effectuera une visite d'information au sein de notre Unité à compter du 14/08/1983. Durée : 02 Semaines.

Nous invitons tous les Responsables à prendre les dispositions nécessaires pour le bon déroulement de ce stage.

Salutations.

P/ CELLULE CENTRALE EMPLOI FORMATION  
ET ETUDES.

Destinataires/

- Toutes structures S/D.FBF
- SCBF
- Gestion du Personnel
- ATU

Pour information/

- K/DU Mr. BOUCHAIB
- K/SCP Mr. TIDADINI



KOUBA, LE 23/04/1984

///))// OTE D' INFORMATION

OBJET ... / - ENQUETE SOCIOLOGIQUE

Nous vous informons que Mr BOUGARA Omar Etudiant en Sociologie Industrielle et préparant un Doctorat en Gestion (Management) en ANGLETERRE, effectuera une enquête sociologique sous forme de questionnaire, au sein de notre unité à compter du 23/04/1984.

Nous tenons à vous rappeler que Mr BOUGARA Omar avait déjà effectué une pré-enquête de 02 semaines (du 14 au 29 Août 1983) à K/DU.

Nous comptons sur votre collaboration, pour le bon déroulement de cette enquête.

SALUTATIONS.

DESTINATAIRES ... /

- Toutes S/Directions
- Tous Sces Centraux
- Tous Sces et Ateliers

POUR INFORMATIONS ... /

- K/DU - MR MAZARI
- K/SCP - MR TIDADINI
- A. T. U - C. P.F.

CELLULE CENTRALE EMPLOI-FORMATION  
ET ETUDES



## **Appendix 7**

### **Preliminary Questionnaire**



Monsieur le Directeur Général.

Je suis stagiaire du Ministère des Transports actuellement engagé dans une thèse de P.H.D. dans le centre mentionné ci-dessus et qui fait partie de North East London Polytechnic (Grande Bretagne); un des objectifs de cette thèse est d'analyser la théorie et pratique de la gestion socialiste des entreprises dans les organismes industriels.

Il ne fait aucun doute que notre modèle fait l'objet d'une grande attention dans le monde occidental et plus particulièrement en Grande-Bretagne où il y a des efforts constants à l'effet de développer une "démocratie industrielle".

Dans le but de mener à bien cette recherche, je vous serais reconnaissant si vous pourriez compléter ce questionnaire préliminaire, qui a été envoyé à la plupart des entreprises concernées, et me le renvoyer le plus rapidement possible à mon adresse d'Alger (11, avenue Imam Chafai - EL MOURADIA - ALGER). Je puis vous assurer que toute information sera traitée d'une manière confidentielle.

Veillez agréer, Monsieur le Directeur Général, l'expression de ma haute considération.

# Q U E S T I O N N A I R E

## 1ère PARTIE - INFORMATIONS GENERALES

- 1.- En quelle année votre entreprise a été créée ou constituée ?  
.....
- 2.- En quelle année avez-vous appliqué la gestion socialiste des entreprises dans votre entreprise ?  
.....
- 3.- Pourriez-vous me faire parvenir un organigramme ou dans le cas contraire pourriez-vous me faire un schémas de votre organisation.?  
.....
- 4.- Quel est le degré de rotation de votre main-d'oeuvre de préférence selon le grade (par exemple cadres, ouvrier spécialisé etc...)  
.....  
.....  
.....  
.....
- 5.- Nombre de P.D.G. de votre entreprise depuis sa création ?  
.....
- 6.- Pourriez-vous m'indiquer le nombre d'employés ou stagiaires actuellement en formation aussi bien à l'intérieur du pays qu'à l'étranger?  
1974 : .....  
1979 : .....  
1980 : .....

.../...

7.- Pourriez-vous m'indiquer pour les exercices suivantes ?

	1974	1979	1980
- Le chiffre d'affaire			
- Les frais de personnel			
- Capital			
- Résultat avant taxation			
- Pourcentage du résultat distribué aux travailleurs			
- Pourcentage mis en réserve.			

8.- Est-ce que vous accordez à vos employés des facilités religieuses ?

OUI.....

NON.....

AUTRE.....

9.- De combien d'unités disposez-vous ?

.....

.../...

10.- Pourriez-vous compléter le tableau ci-dessous ?

[illegible]

(1) Dans le cas où vous ne disposez pas de ce renseignement par unité, indiquez le pour l'ensemble de l'entreprise.

1.- A votre avis depuis l'implantation de la G.S.E. dans votre entreprise pensez-vous qu'il y a des domaines qui ont enregistré des progrès significatifs.

Pourriez-vous m'indiquer lesquels ?

.....  
 .....  
 .....

2.- Dans le cas contraire quels sont les domaines qui ont rencontré des problèmes et pour quelle raison ?

.....  
 .....  
 .....  
 .....

3.- Quel est l'état des relations entre le conseil de direction et l'assemblée des travailleurs ?

.....  
 .....  
 .....

4.- En pensant à d'autres entreprises pourriez-vous m'en citer cinq qui ont eu le plus de succès et quels sont à votre avis les progrès les plus marquants.?

Nom de l'entreprise

R A I S O N S

.....	.....
.....	.....
.....	.....
.....	.....
.....	.....

5.- Auriez-vous quelque chose à rajouter et qui vous paraît important ?

.....  
 .....  
 .....



## Appendix 8

### Entreprise Level Questionnaire

GENERAL

1. En quelle année votre entreprise a été créée ou constituée?  
-----
2. En quelle année votre unité a été créée?  
-----
3. Quel est le nombre d'unités constituant votre entreprise?  
-----
4. En quelle année avez-vous appliqué la gestion socialiste des entreprises?  
-----
5. Quel genre de technologie utilisez-vous?  
-----  
-----
6. Combien d'heures par semaine votre compagnie est en opération?  
-----
7. Est-ce que vous opérez un système d'équipes?
- |                          |                          |
|--------------------------|--------------------------|
| Oui                      | Non                      |
| <input type="checkbox"/> | <input type="checkbox"/> |
8. Si (oui) sur quelle base?  
-----
9. Quel est le nombre de produits?  
-----
10. Quel est le niveau de syndicalisation en pourcentage?
- |            |       |
|------------|-------|
| groupe I   | ----- |
| groupe II  | ----- |
| groupe III | ----- |
11. Nombre de représentants dans l'assemblée des travailleurs de l'unité?
- |            |       |
|------------|-------|
| groupe I   | ----- |
| Groupe II  | ----- |
| Groupe III | ----- |

12. Nombre de représentants dans l'assemblée des travailleurs de l'entreprise?

groupe I - - - -

groupe II - - - -

groupe III - - - -

13. Nombre de réunions tenues par l'assemblée des travailleurs de l'unité?

	1980	1981	1982	1983
ordinaires	- - -	- - -	- - -	- - -
extraordinaires	- - -	- - -	- - -	- - -

14. Nombre de réunions tenues par l'assemblée des travailleurs de l'entreprise?

	1980	1981	1982	1983
ordinaires	- - -	- - -	- - -	- - -
extraordinaires	- - -	- - -	- - -	- - -

15. Nombre d'employés?

	groupe I	groupe II	groupe III
temps plein	- - - -	- - - -	- - - -
temporaires	- - - -	- - - -	- - - -

16. Turnover en pourcentage?

groupe I - - - -

groupe II - - - -

groupe III - - - -

17. Taux d'absentéisme en pourcentage?

groupe I - - - -

groupe II - - - -

groupe III - - - -

18. Avez-vous un organigramme?

Oui

☐

Non

☐

19. Personnes détenant une copie de l'organigramme?

Directeur général	<input type="checkbox"/>
Chefs de département	<input type="checkbox"/>
A T U	<input type="checkbox"/>
Autres (spécifier) - - - - -	<input type="checkbox"/>

20. Avez-vous des brochures ou manuels d'information se rapportant à votre entreprise?

Oui	Non
<input type="checkbox"/>	<input type="checkbox"/>

21. Si vous avez répondu (oui) à la question précédente sont-ils distribués

Régulièrement	<input type="checkbox"/>
Occasionnellement pour des événements particuliers	<input type="checkbox"/>
Seulement pour les nouveaux venus	<input type="checkbox"/>

22. Nombre de personnes en formation?

	groupe I	groupe II	groupe III
au niveau de l'entreprise	- - - -	- - - -	- - - -
à l'extérieur	- - - -	- - - -	- - - -

23. Est-ce que votre entreprise décide sur les niveaux d'investissements?

Oui	Non
<input type="checkbox"/>	<input type="checkbox"/>

24. Si vous avez répondu (Non) à la question précédente qui prend la décision?

- - - - -  
- - - - -

25. Est-ce que vous décidez sur le niveau des prix?

Oui	Non
<input type="checkbox"/>	<input type="checkbox"/>

26. Si vous avez répondu (non) à la question précédente qui prend la décision?

- - - - -  
- - - - -

27. Quel est/sont vos objectifs? (Pas plus de trois (3))

- - - - -  
- - - - -  
- - - - -

28. Volume de production totale?

1980 - - - - -

1981 - - - - -

1982 - - - - -

29. Capacite de production?

1980 - - - - -

1981 - - - - -

1982 - - - - -

30. Pourriez-vous m'indiquer à quel niveau se situe

	1980	1981	1982
- le chiffre d'affaire	- - -	- - -	- - -
- Resultat d'exploitation	- - -	- - -	- - -
- Frais de personnel	- - -	- - -	- - -
- Capital	- - -	- - -	- - -
- Montant des profits distribués	- -	- - -	- - -
- Valeur ajoutée	- - -	- - -	- - -

## Appendix 9

### Final Questionnaire at Unit Level

Veillez mettre un X dans la case correspondante

1. Quel est votre age? 1
- |                 |                          |   |
|-----------------|--------------------------|---|
| 24 ans ou moins | <input type="checkbox"/> | 1 |
| 25 - 34         | <input type="checkbox"/> | 2 |
| 35 - 44         | <input type="checkbox"/> | 3 |
| 45 ans ou plus  | <input type="checkbox"/> | 4 |
2. Sexe? 2      M      F
- |                          |                          |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
| 1                        | 2                        |
3. Quel est votre titre et échelon? Décrivez votre travail SVP. 3
- 
- 
- 
- 
4. Depuis combien d'années travaillez-vous dans cette entreprise? 4
- |                  |                          |   |
|------------------|--------------------------|---|
| Moins d' 1 année | <input type="checkbox"/> | 1 |
| 1 - 3 années     | <input type="checkbox"/> | 2 |
| 4 - 10 ans       | <input type="checkbox"/> | 3 |
| 11 ans ou plus   | <input type="checkbox"/> | 4 |
5. Où avez vous travaillé précédement? 5
- 
6. Etes-vous adhérent à un syndicat?
- |                          |                          |
|--------------------------|--------------------------|
| Oui                      | Non                      |
| <input type="checkbox"/> | <input type="checkbox"/> |
| 1                        | 2                        |
7. Si vous avez répondu oui à (6) pourquoi y avez-vous adhéré? 7
- |  |                          |   |
|--|--------------------------|---|
| - pour avoir la possibilité d'être élu à l' A.T./A.T.U.            | <input type="checkbox"/> | 1 |
| - Pour bénéficier des différents avantages que le syndicat procure | <input type="checkbox"/> | 2 |

- Pour améliorer mes connaissances  3
- Pour faire profiter les autres de mes connaissances  4
- Autres (spécifier) - - - - - 5

- - - - -

8. Quel niveau d'études avez-vous atteint?

8

- Ecole primaire  1
- Ecole secondaire  2
- Institut  3
- Université ou équivalent  4
- Autres (spécifier)  5

- - - - -

9. Actuellement êtes-vous en train d'étudier pour une qualification?

	Oui	Non
9	<input type="text"/>	<input type="text"/>
	1	0

10. Si (oui) est-ce que vous le faites avec la compagnie ou extérieurement?

	Inte	Exter
10	<input type="text"/>	<input type="text"/>
	1	2

11. A quel niveau hiérarchique avez-vous débuté dans cette compagnie?

- - - - -

12. Pourriez-vous me nommer le nombre d'unités composant votre entreprise et me préciser la nature de leur production?

	Oui	Non
12	<input type="text"/>	<input type="text"/>
	1	0

13. Avez-vous la possibilité de consulter le rapport annuel?

	Oui	Non
13	<input type="text"/>	<input type="text"/>
	1	0



14. Vous est-il arrivé de consulter l'organigramme de votre compagnie?

	Oui	Non
14	<input type="text"/>	<input type="text"/>
	1	0

15. Pensez-vous que l'introduction de la G.S.E. vous a permis de mieux savoir ce qui se passe dans votre entreprise?

	Oui	Non
15	<input type="text"/>	<input type="text"/>
	1	0

16. Y-a-t-il en général une amélioration par rapport à la période pré-GSE?

	a.	b.	c.	d.	e.
	très grande amélioration	bonne amélioration	amélioration dans certains domaines seulement	aucun changement	Régression
16	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

17. Si vous avez répondu (c) à la question précédente pouvez-vous me citer les domaines qui ont connu une amélioration particulière par ordre d'importance? (Pas plus de 4 domaines)

-----  
 -----  
 -----  
 -----

18. Est-ce que vous savez dans quelle mesure votre travail est relié à l'ensemble

	18	
Oui tout à fait	<input type="text"/>	1
Oui assez informé	<input type="text"/>	2
Non	<input type="text"/>	3

19. Si vous avez répondu (non) à la question précédente, est-ce-que vous auriez voulu savoir)?

	Oui	Non
19	<input type="text"/>	<input type="text"/>
	1	0

20. Vous est-il arrivé d'assister aux meetings de l'assemblée des travailleurs bien que n'étant pas membre?

Oui	Non
<input type="text"/>	<input type="text"/>
1	0

21. Lorsque vous avez des problèmes dans le cadre de votre travail quel est votre premier contact?

21

Votre supérieur	<input type="text"/>	1
Vos collègues	<input type="text"/>	2
Un membre de L'A.T./A.T.U.	<input type="text"/>	3
Autres (spécifier)	<input type="text"/>	4

22. Lorsque vous avez des problèmes d'ordre personnel qui contactez-vous généralement dans l'entreprise?

22

Collegues	<input type="text"/>	1
Supérieur	<input type="text"/>	2
Personne	<input type="text"/>	3
Autres (spécifier) - - - - -	<input type="text"/>	4

23. La dernière fois que vous avez soumis une réclamation à votre représentant syndical quelle en était la nature?

23

Problème social	<input type="text"/>	1
Salaire	<input type="text"/>	2
Promotion	<input type="text"/>	3
Autres (spécifier)	<input type="text"/>	4

24. Avez-vous reçu une réponse?

	Oui	Non
24	<input type="text"/>	<input type="text"/>
	1	0

25. Etait-elle?

25

favorable	<input type="text"/>	1
défavorable	<input type="text"/>	2

26. En général d'après votre expérience et celle des autres est-ce-qu'il y a eu dans le passé des réponses favorables?

	souvent	rarement	pas du tout
25	<input type="text"/>	<input type="text"/>	<input type="text"/>
	3	2	1

27. Est-ce que vous êtes prévenus des réunions des différentes commissions de la G.S.E.?

	27
très bien prévenus	<input type="text"/> 1
assez bien prévenus	<input type="text"/> 2
Prévenus parfois	<input type="text"/> 3
Pas du tout prévenus	<input type="text"/> 4

28. Est-ce-que le compte rendu des discussions qui-ont eu lieu est publié (sous forme de minutes ou autre)?

Oui	Non
<input type="text"/>	<input type="text"/>
1	0

29. Si (oui) à la question précédente consultez-vous le compte rendu?

	très souvent	souvent	parfois	rarement	jamais
29	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

30. Est-ce-que vous détenez toutes les informations nécessaires à l'accomplissement de votre travail?

	Oui	Non
30	<input type="text"/>	<input type="text"/>
	1	0

31. Lorsque des changements interviennent dans votre travail, votre (vos) supérieurs vous en donnent-ils les raisons?

	très souvent	souvent	parfois	rarement	jamais
31	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

32. Lorsque vous assistez à des réunions vous informant sur les performances de votre unité (entreprise) êtes-vous d'accord avec ce qui est dit?

	très souvent	souvent	parfois	rarement	jamais
32	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

33. Est-ce-que vous pensez que les possibilités de promotion dans cette entreprise sont:

	excellentes	bonnes	assez bonnes	mauvaises	très mauvaises
33	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

\*Cadres et membre du CDU , pour autres catégories veuillez poursuivre à la question (51) SVP

34. Pouvez-vous me préciser en moins de cinq (5) lignes quel est l'avantage d'avoir une bonne communication au sein de l'entreprise

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-----

-----

35. Est-ce-que des manuels d'information concernant l'entreprise (unité) sont distribué à

aucun employé	35 <input type="text"/>	4
quelques employés	<input type="text"/>	3
Beaucoup d'employés	<input type="text"/>	2
Tous les employés	<input type="text"/>	1

36. Combien d'intérêt donnez vous aux réunions des différents organes de participation de la G.S.E.?

	Beaucoup d'intérêt	assez d'intérêt	aucun intérêt
35	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

37. Pensez-vous que le flot de communication entre vous et les autres unités constituant votre entreprise est bon?

	Oui	Non
37	<input type="text"/>	<input type="text"/>
	1	0

38. Si vous avez répondu(e) (non) à la question précédente quels sont selon vous les domaines qui peuvent être améliorés?

-----

-----

39. Pensez-vous que le flot de communication entre vous et la direction générale est bon?

	Oui	Non
39	<input type="text"/>	<input type="text"/>
	1	0

40. Si vous avez répondu (non) à la question précédente quels sont selon vous les domaines qui peuvent être améliorés?

-----

-----

41. Est-ce-que vous savez exactement ce que la tutelle attend en général de votre entreprise/unité?

	oui tout à fait	oui souvent	cela dépend	rarement	pas du tout
41	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

42. Comment caractérisez-vous les relations entre la tutelle et votre entreprise/unité dans le domaine de la communication?

	excellentes	bonnes	assez bonnes	mauvaises	très mauvaises
42	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

43. Pensez-vous que les représentants des travailleurs ont les connaissances et compétences nécessaires pour gérer durant les différentes réunions que vous tenez?

	Oui	Non
43	<input type="text"/>	<input type="text"/>
	1	0

44. Si vous avez répondu (non) à la question précédente quels sont en général les domaines où vous considérez qu'une amélioration serait souhaitable dans le future?

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-----

-----

45. Considérez-vous que les possibilités de promotion dans cette entreprise sont:

	très bonnes	bonnes	assez bonnes	mauvaises	très mauvaises
45	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

46. Lorsque vous communiquez avec vos collègues et en particulier les échelons inférieurs est-ce que vous utilisez des mémos, messages, etc:

	souvent	parfois	jamais
46	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

47. Avez-vous des difficultés pour collecter les informations nécessaires à l'accomplissement de votre tâche?

	très souvent	assez souvent	parfois	rarement	pas du tout
47	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

48. Pensez-vous qu'il y a assez de contacts horizontalements (les différents départements n'hésitent pas à échanger des informations)

	Oui	Non
48	<input type="text"/>	<input type="text"/>
	1	0

49. Quels sont les domaines dont les travailleurs désirent le plus d'information?

-----  
 -----  
 -----

50. Pensez-vous que lorsque les travailleurs demandent beaucoup d'information cela retarde quelque peu le processus de décision et de ce fait une réduction de l'efficacité de l'unité/entreprise en résulte?

	oui tout a fait	parfois	absolument pas
50	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

\*Cette section (51) à (60) concerne les membres du syndicat seulement, pour non-membres veuillez reprendre le questionnaire à la question (61) SVP:-

51. En général est-ce que vous percevez que vous détenez toutes les informations nécessaires à l'accomplissement de votre tâche en tant que représentant?

	Oui	Non
51	<input type="text"/>	<input type="text"/>
	1	0

52. Si vous avez répondu négativement à la question précédente quels sont les domaines où la direction hésite à fournir des informations?

	52	
Domaine financier	<input type="text"/>	1
" social	<input type="text"/>	2
Projets futurs concernant l'unité/entreprise	<input type="text"/>	3
Domaine de la formation	<input type="text"/>	4
Autres (spécifier)	<input type="text"/>	5

-----

53. Dans quelle catégorie placez-vous vos relations avec la direction dans le domaine de la communication?

	excellentes	bonnes	assez bonnes	mauvaises	très mauvaises
53	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

54. En dehors des différentes réunions dans le cadre de la G.S.E. communiquez-vous informellement avec les représentants de la direction?

	très souvent	souvent	parfois	rarement	jamais
54	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4	5

55. Quels sont les réclamations que les employés vous réfèrent le plus souvent?

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-----

-----

56. Depuis l'introduction de la G.S.E. pensez-vous que la compétence des ouvriers dans les problèmes de gestion s'est:

	très améliorée	assez améliorée	aucun changement	régressée
56	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3	4

57. Est-ce que vous prenez seulement en compte les informations que vous collectez au niveau de l'unité pour faire des propositions à la direction?

	Oui	Non
57	<input type="text"/>	<input type="text"/>
	1	0

58. Si vous avez répondu (non) à la question précédente vous les complétez avec

	58	
la direction générale	<input type="text"/>	1
la tutelle	<input type="text"/>	2
autres (spécifier) - - - - -	<input type="text"/>	3
- - - - -		

59. En cas de conflit avec la direction est ce qu'il y a arbitration

	59	
de la direction generale	<input type="text"/>	1
de la Tutelle	<input type="text"/>	2
de la direction generale en consultation avec la tutelle	<input type="text"/>	3

60. Pensez-vous que votre compagnie applique les recommandations de la tutelle assez rapidement?

	Oui	Non
60	<input type="text"/>	<input type="text"/>
	1	0



Attitudes à l'égard de la participation
---

Dans quelle mesure êtes-vous d'accord avec les affirmations ci-dessous en ce qui concerne l'introduction d'un système de gestion participatif?

L'introduction de la G.S.E. a eu pour effet d'avoir -

61. Une gestion plus efficace

	Tout à fait	Dans une certaine mesure	Pas du tout
61	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

62. Une plus grande égalisation du pouvoir

	Tout à fait	Dans une certaine mesure	Pas du tout
62	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

63. Une amélioration des conditions de travail

	Tout à fait	Dans une certaine mesure	Pas du tout
63	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

64. Une diminution du pouvoir des hauts échelons

	Tout à fait	Dans une certaine mesure	Pas du tout
64	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

65. Une plus grande sécurité d'emploi

	Tout à fait	Dans une certaine mesure	Pas du tout
65	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

66. Un meilleur flot d'informations au sein de l'entreprise

	Tout à fait	Dans une certaine mesure	Pas du tout
66	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

67. Une plus grande satisfaction matérielle

	Tout à fait	Dans une certaine mesure	Pas du tout
67	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

68. Une plus grande satisfaction morale

	Tout à fait	Dans une certaine mesure	Pas du tout
68	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

69. Un meilleur climat dans l'entreprise

	Tout à fait	Dans une certaine mesure	Pas du tout
69	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

70. Rendu les travailleurs plus conscients de leurs responsabilités

	Tout à fait	Dans une certaine mesure	Pas du tout
70	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

71. Rendu les décisions plus acceptables

	Tout à fait	Dans une certaine mesure	Pas du tout
71	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

72. Perdu un temps précieux pour prendre les décisions qui s'imposent

	Tout à fait	Dans une certaine mesure	Pas du tout
72	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

73. Rajoute à la 'Bureaucratie'

	Tout à fait	Dans une certaine mesure	Pas du tout
73	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

74. Meilleur flot de communication au niveau de l'unité/entreprise

	Tout à fait	Dans une certaine mesure	Pas du tout
74	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

75. Améliore la qualité des décisions

	Tout à fait	Dans une certaine mesure	Pas du tout
75	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

76. Elimine les conflits graves

	Tout à fait	Dans une certaine mesure	Pas du tout
76	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

77. Diminue la qualité des décisions car certains employés n'ont pas les compétences nécessaires dans cette unité

	Tout à fait	Dans une certaine mesure	Pas du tout
77	<input type="text"/>	<input type="text"/>	<input type="text"/>
	1	2	3

Evaluation de la distribution d'influence
---

Pour chaque catégorie (a) a (f) sur la colonne de gauche, veuillez S.V.P. mettre un cercle autour de la réponse qui correspond le plus. Par exemple si vous considérez que les cadres ont en général une influence moyenne dans le processus de décision vous mettriez un cercle autour du numero (3).

79A. En général quel est le degré d'influence que les groupes suivants exercent dans le processus de décision?

echelle Categories	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

En général quel est le degré d'influence que les groupes suivants devraient exercer dans le processus de décision?

79B.	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

80A Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant la formation du personnel?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

80B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant la formation du personnel?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

81A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant les futurs objectifs de votre unité/entreprise

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

81B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant les futurs objectifs de votre unité/entreprise?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

82A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant la promotion?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

82B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant la promotion?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

83A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant la création d'un nouveau département?

	Enormement d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

83B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant la création d'un nouveau département?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5



84A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant la distribution de bénéfices?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

84B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant la distribution de bénéfices?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

85A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant le remplacement de l'outillage?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

85B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant le remplacement de l'outillage?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

86A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant les règles d'hygiène et de sécurité?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

86B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant les règles d'hygiène et de sécurité?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

87A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant l'introduction de Nouveaux Produits?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

87B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant l'introduction de nouveaux produits?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

88A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant les nouveaux investissements?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

88B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant les nouveaux investissements?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

89A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant la répartition des tâches?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

89B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant la répartition des tâches?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

90A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant la fixation des plans de production annuels?

	Enormement d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

90B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant la fixation des plans de production annuels?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

91A. Quel est le degré d'influence que les groupes suivants exercent dans les décisions concernant Recrutements et Licenciements?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Execution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5

91B. Selon vous quel est le degré d'influence que les groupes suivants devraient exercer dans les décisions concernant Recrutements et Licenciements?

	Enormément d'influence	assez grande influence	une influence moyenne	un peu d'influence	Pas du tout d'influence
a. Cadres	1	2	3	4	5
b. Maitrise	1	2	3	4	5
c. Exécution	1	2	3	4	5
d. organes de la G.S.E.	1	2	3	4	5
e. Ministère de Tutelle	1	2	3	4	5
f. Direction générale	1	2	3	4	5