THE PARTICIPATORY POTENTIAL OF POLISH TRADE UNIONS

The purpose of the article is to present the issues of the development of employee participation in Poland and the functions of trade unions. Trade unions in Poland, like many union organizations across Europe, have faced numerous problems related to the shrinking membership base or the limited presence of trade unions at the company level in general. Trade unions’ promotion of practices leading to deeper employees’ participation in decision-making processes should be one of the most important functions performed by trade unions. It seems, though, this is not the case. However, it is difficult to blame only trade unions. Undeveloped participation is also the result of resistance in the managerial environment and the attitudes of employees themselves, approaching their greater involvement in decision-making processes with reservation.

Keywords: trade unions, indirect participation, social dialogue

Introduction

The idea of employee participation in the management of work establishments has been implemented since the moment of the adoption of the law on workers’ councils in Germany in the 1920s. The need for the actual, deeper involvement of employees in management processes was increasing along with the changing paradigm of the worker in the organisation, which is presented in the first part of this article. The abovesaid involvement consists in the workers’ participation in all decision-making processes and in the control over their execution.

* Collegium of Socio-Economics, SGH Warsaw School of Economics.
Employee participation is the embodiment of the ideals of industrial democracy, with trade unions as their sustainable and important elements. The trade unions indirectly partake in participatory processes, which is being discussed in the second part of this paper.

Research into employee participation suggests that the related practices are rather poorly developed. This tendency is also visible in Poland. It may be surprising, taking into consideration the traditions of the social function of enterprises and the development of trade unions. The third part of the article is an attempt to identify the barriers encountered by the trade unions engaged in the participatory activities.

1. The changing paradigm of an employee – towards greater involvement

Considerations related to the role of work and worker have been accompanying the mankind for centuries. Usually, the context for such considerations encompasses: religion, philosophical views or macroeconomic theories.

However, it is important to note that the development of industrial civilisation has contributed to the development of the management theory. Small factories and production companies began to transform into large manufacturing plants employing increasing numbers of workers. Soon it has become clear that the management of such large structures based merely on intuition and personal experience proved insufficient. Low productivity of employees has become one of the most pressing problems in this respect.

Frederick Taylor, an American engineer, the founder of the school of management, believed that low productivity of workers is the result of a faulty remuneration system, irrational production methods, a lack of correspondence between the workers’ characteristics and labour requirements as well as the conviction that the increase in production capacity leads to a higher unemployment rate. One of Taylor’s postulates was to break down the work process into particular activities and devise a more appropriate method of the execution of tasks. Scientific management was characterised by a purely mechanical approach not only of the production process but also in the perception of man himself. In this perspective, there is an atomistic concept of the employee as an isolated individual, driven only by his or her own material benefit, since it is the remuneration which is the basic
The participatory potential of Polish trade unions

motivation of the employed.¹ Many years later, this approach was reflected in the created model of the employee, conventionally called theory X. Its creator, Douglas McGregor, also suggested a different approach, referred to as theory Y. Compared with theory X, this was a very humanistic vision, in which the physical and mental effort accompanying work was seen as a natural characteristic, similarly to leisure and fun. According to this theory, people are able to manage themselves and they are capable of self-control, if they accept the goals presented to them as their own. Therefore, external control and sanctions cease to be the only management methods and reaching the above-mentioned goals is seen as a function of awards related to achieving these objectives.²

The results of the research conducted in the 1920s (the moment which is considered to mark the beginning of the development of the paradigm related to the human relations school) brought about a rather significant change in the approach towards the employee. This fundamental shift has taken place with regard to the perception of people through questioning of the atomistic concept of man and the view that he/she is driven mainly by material benefits. It was discovered that the sense of being part of a team and satisfaction with the participation in its joint achievements are more significant motivating factors than the individual material benefits alone.

The real breakthrough, however, took place in the 1960s, when the article Human Relations of Human Resources presented the outline of the concept of human resource management as a counterweight to the mainstream concept of human relations. The author of the article, R. E. Miles, concentrated on the need to perceive company employees as a resource and employ a systemic approach towards the implementation of the HR function, i.e. combining individual decisions and staff actions into a unified whole.³ In this model, the author assumes that employees have a sense of responsibility, they want to achieve goals, which they help to formulate. The company, in turn, eager to use the employees’ creativity and their sense of responsibility, should create an appropriate atmosphere within the organisation. The practice of employees’ co-decision and self-control should be cultivated.⁴

The departure from the concept of a team and seeing a worker as a share in the capital or asset was a milestone in changing the perception of an employee. The author of the “human capital” concept was T.W. Schultz, who, on the basis of the analyses of economically underdeveloped countries, came to the conclusion that the achievement of prosperity by poor people depends on their knowledge. He later stated that the knowledge is an acquired quality, which has its value and may be enriched proper investment, and therefore it may be regarded as human capital. Very soon this idea became part of the management theory taking the form of a human capital model and establishing the stereotype of man as a learner. This stereotype is based upon certain assumptions, according to which employees want to learn and develop and they choose the workplaces which enable them to do that. The employee is keen to learn new things and interested in innovations in the workplace. Such an employee achieves job satisfaction not only due to the material benefits he or she obtains or good interpersonal human relationships, but mainly through successes achieved while carrying out constantly new tasks and projects.

Effective knowledge management in a modern organisation is associated with the postulate of increasing the employees’ participation in the decision-making processes concerning different areas of the organisations’ activities. Submitting proposals for changes and improvements enables employees to generate innovations and shape the organisations’ innovativeness.

2. Partnership for greater employee involvement

Employees’ influence on the methods of creating the company’s value and the distribution of its effects is known as corporate employee participation. It may take the form of direct or indirect participation. In the first formula, the participation includes individuals and groups of employees. In its indirect form, participation functions are performed by staff representatives, such as trade unions and workers’ councils on behalf of the employees.

---

5 H. Król, op. cit., p. 44.
6 Ibidem, p. 45.
In her article *Partycypacja pracowników w zarządzaniu a dialog społeczny na poziomie zakładu pracy* (transl. *Employee Participation in Management and Social Dialogue at the Company Level*), Zoﬁa Sekuła observes that when analysing the mechanisms of indirect participation, the degree of employees’ in ﬂuence on the decisions and their right to express their views or take part in voting should be taken into account. On this basis, four types of indirect participation can be distinguished. They are as follows: access to information, consultations, negotiations and share in the company ownership.9

In the work cited above, Stanisława Borkowska proposes to separate the factor of access to information, consultations and negotiations from the aspect of the share in the company ownership. In her view, information, consultations and negotiations are elements of participation in the decision-making, and ownership and financial participation is the third form of participation, alongside the direct and indirect participation.10

Participatory decision-making, therefore, consists in the participation of the authorised representatives in negotiating and making decisions, giving consent, preparing proposals or blocking decisions. It requires negotiations between the parties and the participation of the representatives of staff in the company management bodies.

Adopting such a deﬁnition of indirect participation corresponds with the concept of social dialogue. According to the International Labour Organization (ILO), social dialogue encompasses all forms of negotiations, consultations or simply the exchange of information among the representatives of employers, employees and the government on the issues related to the economic and social policy.11

Thus, a question arises: what distinguishes indirect participation from social dialogue? It appears that the social dialogue formula is a slightly wider concept, because it also includes the employees’ rights to protect their interests, and thus to shape the terms of employment, wages and working conditions, in accordance with the applicable law. Naturally, at this point, we refer to all types of relationships based on partnership, and not on bargaining resulting from the position of strength.

Undoubtedly, the most important entity, acting as an intermediary in ensuring the employee participation in the decision-making processes are trade unions. It is important to remember that trade unions are a voluntary, democratic employee movement combining their efforts to present common demands and to protect and

defend employees’ rights. It is important to note that the organisation must be established permanently, and it has to voice its long-term demands.\textsuperscript{12}

Traditionally, trade unions are perceived as a monopolistic labour trader, and its utility function is to seek an optimum wage (a level of price for work).\textsuperscript{13} For a long time, the context of wages has dominated the manner in which trade unions are perceived. It was not until the 1980s that more attention was paid to other, non-wage effects of the functioning of trade unions. According to the researchers, the unions help to reduce the negative outcomes of authoritarian management, which may otherwise be observed in the organisation. It appears that they give the employees the sense of being the subjects rather than objects of an employment relationship, improve the information flow and the coordination between the management and staff. They also create a mechanism through which a critical voice reaches the board and prevents bad decisions being made.\textsuperscript{14} Therefore, there are some threads pointing to the participatory competencies of trade unions. In his book, \textit{Industrial relations. Theory and practice}, M. Salamon presents common areas for trade unions and workers (see Figure 1).

\textbf{Figure 1. Trade union functions}

\begin{center}
\includegraphics[width=\textwidth]{trade_union_functions.png}
\end{center}


\textsuperscript{13} J. Gardawski, \textit{Związki zawodowe a efektywność ekonomiczna. Model polski w perspektywie światowej teorii i praktyki}, Oficyna Wydawnicza SGH, Warszawa nd, p. 411.

\textsuperscript{14} Ibidem, p. 417.
Taking into consideration the subject-matter undertaken in this article, it is important to draw attention to the regulation of work, which occurs due to trade union participation in building the co-decision systems, which on the one hand protect workers against the consequences of arbitrary decisions of the company management, and on the other, allow employees to participate in the decision-making processes (and achieve self-realisation).

In the work cited above, *Związki zawodowe w systemie politycznym Unii Europejskiej (Trade Unions in the Political Systems of the European Union)*, its author Bogusław Jagusiak, also discusses the participatory function of trade unions. The author identifies three basic roles of trade unions: defensive-recovery, participatory and political functions. According to the author, employees, in particular those educated ones, have started to notice the need for self-realisation or personal fulfilment in the company, and they increasingly oppose to being objectified or being submitted to arbitrary decisions taken by the management. The latter tendency brought about a change in the position of trade unions with regard to the employee participation in management processes. It can be assumed that there occurred a specific shift from confrontation towards cooperation in trade union strategies.

In this respect, trade unions significantly extend the horizon of their activities, entering areas related to organizational changes, training, the development of employee competencies and finding a balance between work and private life. However, it is worth bearing in mind that wages, job security, level of qualifications, work organization or its forms constitute a system of connected vessels. From trade unions’ point of view, all decisions concerning the training programmes or HR appraisal systems are analysed through the prism of wages and job retention.

Therefore, increasing trade union participation in the decision-making processes is a problem which triggers lively interest among the individuals engaged in union activities. Even in the areas where trade unions have little impact, i.e. training programmes or skills development systems in the workplace.

Participatory opportunities and the scope of trade union participation depend on many factors, such as the degree of formalisation of participation rules, organisational potential or cultural determinants. The possibilities of carrying out international analyses and comparisons are extremely difficult, because accentuation of individual determinants is not distributed evenly in particular countries.

One of the best indicators for measuring effects of indirect participation is the European Participation Index (Europejski Indeks Partycypacji). The EPI is calculated based on four indicators:

---

15 B. Jagusiak, op.cit., p. 85.
• participation at the level of an individual enterprise;
• participation and scope of rights of the representatives on supervisory boards;
• the share of the employees covered by the arrangement regulation;
• level of unionization.

This index allows not only determining the scope of indirect participation in particular countries, but also making international comparisons.

The latest available data shows that the highest level of indirect participation may be observed in Scandinavian countries and in Slovenia (see Fig. 2).

Figure 2. The European Participation Index 2009


The lowest level of participation was recorded in Great Britain, Estonia and Italy. Poland also took a very low position in the ranking. At this point, it is worth considering the reasons for the limited scope of trade union participation in Poland.

3. Selected aspects of the shaping of the participatory potential of Polish trade unions

Reducing the issue of low participatory potential to the arrangement law as part of trade union activity appears to be an oversimplification. The problem appears to be...
deeper. In this context, it is important to consider the issues related to the mentality of Polish workers and Polish executives.

3.1. The specificity of labour relations

When analysing the development of indirect participation, a key element in our considerations is the Polish trade union movement.

Trade unions in Poland have several characteristic features. Among them, advanced pluralism and far-reaching decentralisation deserve our special attention. Apart from these two characteristics, there emerge also phenomena which seem more typical in the context of the EU and the entire developed world, with the de-unionization and decentralisation of collective bargaining and tenders taken into account.

The decrease in unionization is probably the most serious problem of Polish unions. The downward trend is observed from the beginning of the 1990s, when one in four hired employees was a member of trade unions, and after only two decades, only one in ten workers belonged to the organisation.

In July 2015, the results of research carried out by the Central Statistical Office (GUS) were published. According to the data provided by the Central Statistical Office, at that time there were 13,000 of trade union organisations in Poland, and nearly 90% of them were organised into supra-company structures. 1.6 million people, i.e. 5% of the adult population, 11% of all working individuals, 17% of those employed on the basis of the employment relationship and 19% of employees of companies employing more than 9 people\footnote{Związki zawodowe w Polsce w 2014 roku. Notatka informacyjna, Główny Urząd Statystyczny, Warszawa 2015, p. 5.} belonged to trade union organisations. These data suggest that in the vast majority of business entities, human resources management is the sovereign activity of the management and HR departments.

Collective bargaining in contemporary Poland is limited in scope, and it does not effectively fulfil the role of self-regulation labour relations, even though binding regulations recognize the collective labour agreements as a source of labour law. Apart from collective agreements or collective settlements, work regulations and remuneration schemes are regarded as specific sources of labour law, resulting from negotiations between the management and their workforce. The scope of collective agreements is limited, and even though the quoted figures may slightly differ depending on the source, based on the EU data, it can be estimated to reach 15%\footnote{National Industrial Relations. Poland, https://www.worker-participation.eu/National-Industrial-Relations/Countries/Poland [retrieved 30.07.2018].}.
Collective bargaining in our country is extremely decentralised, which means that collective labour agreements function mainly at the corporate level.

If we examine the companies where trade unions operate, then the research findings point out that the defensive strategies prevail. A majority of the unions focus on protecting or defending their members, providing free services or financial support. The presented data suggests that the priorities for the company organizations include: participation in drafting collective agreements or work regulations and social fund management.\(^\text{18}\)

If we also consider the information contained in the Chief Labour Inspector Report (Raport Głównego Inspektora Pracy) concerning the activity of the State Labour Inspectorate (Państwowa Inspekcja Pracy) in 2015, i.e. the fact that there were 69 collective labour agreements in force in the examined period, then the participation in company trade unions appears to be rather symbolic or nominal. Thus, it appears that there is no point in delving into the possibilities of the impacts of the collective bargaining or arrangement regulations on the participatory potential of trade unions.

The last barrier limiting the participation of the trade unions in human resources management, indicated by the respondents taking part in the studies conducted by the Central Statistical Office, are difficult relations with employers.

### 3.2. Attitudes of employees

In 2003, in his book entitled *Konfliktowy pluralizm polskich związków zawodowych* (*Conflicting Pluralism of Polish Trade Unions*), Juliusz Gardawski commented on the weakening of the participatory culture and deregulation of labour relations. The author of this thesis observes that the culture was once widely disseminated in Poland and claims that there are also attempts to consolidate and support it, especially in the early 1980s. In the new reality, the efforts to popularise the principles of participation encountered strong resistance on the part of decision-makers. At that time, another unfavourable phenomenon began to perpetuate. With the passive attitude of trade unions, there emerged a general atmosphere of giving up participatory values in the work environment.\(^\text{19}\)

As it later turned out, this approach was quite strongly rooted in the mentality of the workers. This is evidenced by the findings of the study “Working Poles in 2007”.

---

\(^{18}\) Związki zawodowe w Polsce..., op.cit., p. 5.

The data analysis shows that the overall high job satisfaction is accompanied by the feeling of subordination in the workplace. Few employees claimed that the management is willing to empower employees to take part in management processes.\footnote{In this case, it concerns the readiness and willingness to consider employees’ opinions and comments as well as the institutionalisation of the consulting practices taking the form of meetings between managers and their staff.}

When discussing the issue whether the management and superiors organise regular meetings with staff, during which everyone can ask questions or present their postulates, the level of positive responses was estimated at 60%, and there were even fewer positive responses in the case of the question concerning the flow of information related to plans of the enterprises involving the lower levels of the organizational hierarchy (54%).\footnote{J. Czarzasty, \textit{Warunki pracy i kultura organizacyjna}, [w:] \textit{Polacy pracujący a kryzys fordyzmu}, scientific edition by J. Gardawski, Wydawnictwo Naukowe Scholar, Warszawa 2009, p. 400.}

On the other hand, the concept of non-formalised consultation procedure was supported by a relatively high share of the opinions stating that the superiors listen to their employees and take their comments into account (75%). According to the authors of the study, this tendency was connected with the limited horizon of the activities and operational decisions, related to the current operations, while in most enterprises there were no consulting mechanisms as far as the most crucial decisions, exceeding everyday activity, were concerned.

The percentage of positive responses in this case was rather evenly distributed among the representatives of the micro-, small and medium-sized enterprises, and the ownership of the capital was not a differentiating factor. The size of the workforce had a negative impact on the feeling of trust in industrial relations. Employees of large enterprises were also less satisfied with their own situation, the fairness of performance appraisals and remunerating policies adopted by their supervisors than the survey participants from other companies. The level of declared trust was similar to the level of positive opinions voicing the sense of substantive justice. The authority of the management staff was also rated highly.

In the light of the above-cited studies, it may be assumed that the dominant feature of the organizational culture of enterprises was the emphasis on the work discipline understood as meticulous completion of the superiors’ instructions. The average percentage of positive responses amounted to 90%.\footnote{Ibidem, p. 401.}

If we supplement this weak sense of empowerment expressed by employees with the strong sense of managers’ influence on their own work, then we may assume that...
the organizational culture of enterprises operating in Poland had a clear authoritarian characteristic.\textsuperscript{23}

Research findings confirm that in Poland employees believe that it is not their role to participate in the decision-making processes. They expect clear instructions, they are afraid of taking responsibility and they feel that the scope of their actions is limited. The managers appear to confirm these tendencies. According to some of them, Polish employees too often avoid taking the floor, they are waiting passively to be given information on the decisions taken by others.\textsuperscript{24}

The findings of the studies carried out by Ryszard Rutka and Małgorzata Czerska presented in the article \textit{Uwarunkowania pełnienia ról kierowniczych w latach 1997–2000 i 2011–2014. Struktura i kierunki zmian} (\textit{Determinants of the Performance of the Management Roles in 1997–2000 and 2011–2014. Structure and Direction for Changes}) show that subordinates do not want to bear responsibility for the decisions taken by teams. In the period of 2011–2014, the number of employees reluctant to bear responsibility amounted to 36%, out of which every tenth manager was not interested in co-decision. According to every third manager, in the examined period subordinates did not expect their superior to build a positive atmosphere at work, and the staff tended to rely on the company to provide them with technical and organizational conditions to carry out their tasks.\textsuperscript{25} However, blaming employees would seem unfair. Undoubtedly, managers have definitely contributed to the abovesaid situation.

3.3. Leadership styles. Attitudes of the management staff

Janusz Hryniewicz claims that the democratic style which consists in involving employees in the analysis of the problems and decision-making processes is the least developed style of management in Polish enterprises. Only every fifth employee had the experience of dealing with such a management style. Among superiors, the leadership, authoritarian and bureaucratic attitudes tend to prevail. Leadership refers to discretionary tendencies and it appears to be emotional and unpredictable. Worse still, as the author emphasises, the employees generally accept this style of management.\textsuperscript{26}

\textsuperscript{23} Ibidem.
\textsuperscript{24} M. Stępień, E. Waligóra, \textit{W Polsce szefowie trzymają ludzi na dystans}, “Personel Plus” No. 11, 2010, p. 49.
\textsuperscript{26} J. Hryniewicz, \textit{Stosunki pracy w polskich organizacjach}, Scholar, Warszawa 2007.
Based on the studies conducted by Rutka and Czerska quoted above, it emerges that more than half of the managers surveyed in the period of 2011–2014 claimed that their role is to take adequate measures to reach the compliance between the subordinates’ actions and the obligatory procedures and his or her own convictions with regard to the most effective ways to use workers’ efforts most effectively. Over 60% of the examined managers stated that they work under the conditions of ambiguity, instability and inconsistency of the actual assessment criteria with the formal requirements. The criteria for assessing subordinates are subject to constant changes, and those which are officially presented are not necessarily in compliance with those which are actually applied. Such a situation is not conducive to pro-innovative management since the direct superiors avoid the opportunity to discuss the ideas of subordinates, while trying to incorporate the expectations of those who have real power.

The research conducted by the Polish Agency for Enterprise Development (Polska Agencja Rozwoju Przedsiębiorczości) and the Values company appears to present a similar picture. As part of the study, four types of leadership were distinguished to assess the managers’ actions: forcing, engaging, strategic and operational. The objective of the juxtaposition of the forcing and engaging styles was to indicate the manner in which the manager cooperates with his or her staff (whether he or she is the one taking all the decisions and puts pressure on the staff to achieve targets or rather creates the conditions where other members of the staff may lead and contribute to the improvement of the company performance).

It was the assessment of these two leadership styles which differentiated the workers and managers to the greatest extent. More than a third of the employees believed that the engagement leadership is too limited in scope. In turn, the same share of managers believed it is too frequently encountered.

Similar differences could be observed in the case of forcing leadership. Nearly every third Polish worker believed that he experienced this type of leadership in excess. Simultaneously, the same number of managers claimed that it is used too rarely. At the same time, every third superior and every second employee thought that forcing leadership was applied at an appropriate level.

---

28 Ibidem.
30 Ibidem.
Conclusion

In a knowledge-based economy, employee participation is considered to be an important part of the enterprise management ideology. Owing to the employee participation, the potential for increasing the competitiveness of enterprises, mainly in the sphere of innovation, is fulfilled. Trade unions, which remain the main collaborative representative of the employee interests, may and, as it appears, are willing to support the deeper involvement of human capital. The latter may be observed in many countries, for example in the Scandinavian region.

As the research suggests, Polish trade unions participate in this process only to a limited degree. The simplest explanation of this situation is the organisational weakness and an inadequate legal framework. It seems, however, that there are more reasons than those mentioned above. A lack of participatory approach among managers and some employee groups appears to be equally important. Obviously, the claim that in Poland there are no prospects to increase the potential of trade unions in terms of employee participation would be a too far-fetched generalisation. However, it should be borne in mind that, in the context of the information presented in this article, it proves to be a difficult task, and the general success of the venture does not depend exclusively on trade unions.

Bibliography


