

## WORKERS' INVOLVEMENT IN MANAGEMENT

- Summary: what, why, how -

### WHAT?

Worker's involvement in management implies informing and consultation with workers during the process of decision-making. European Union adopted several Directives regarding this issue, and the Member Countries implement them in accordance with the own legislation and practice.

### WHY?

While (decision-making) involvement in management often represents for employers, at first glance, reduction of employers' and owners' rights, establishing separate bodies (council of workers) to represent workers during the process of consultations with employer, is a source of competition.

However, reality shows that competition is an important factor in successful doing business. In order to achieve and maintain its position on the market at satisfactory level, companies reach for variety of tools. One of tools are motivated employees, and their motivation is closely linked to working conditions. Important role in shaping working conditions plays the instrument of involving workers in management.

On the other side, workers are turned to protection of own interests with stability of employment and quality working conditions at the top. These are most influenced by the position of company in the market and internal policies of company, the definition and establishment of which can contribute to the quality of information that employees exchange with their employer, as well as possible ways of information sharing. It is important to emphasize here that trade unions represent and realize the interests of their members, not necessarily the interests of all employees, which is the very essence of the EU Directives in this field.

### HOW?

The current legal solutions are of a modest scope in the Republic of Serbia and leave a huge void. Namely, this area is regulated by only one article of the Labor Law (Art. 205), which provides for the possibility of establishing employee councils in companies with more than 50 employees, as bodies



that issue opinions and participate in deciding on the economic and social rights of employees. In practice, employee councils in Serbia are liaised with multinational companies operating in Serbia. However, this practice is linked to the EU legislation and Directives that apply only to multinational companies.

On the other hand, the Republic of Serbia has the obligation to transpose all Directives within the EU accession process. Accordingly, labor legislation will also have to adapt to the requirements of the relevant Directives when it comes to employee involvement in the management, or decision-making process, at the company level. Amendments to the Labor Law have long been expected and planned, but it is still uncertain when they will take place given the elections announced for spring 2020. It is also unknown the direction which the changes will take, when it comes to how employees will be organized for the purpose of exchanging information and consulting with employees and their involvement in the decision-making process. It is therefore important to mention the various solutions present in the EU:

- trade union, as in the UK, Italy, Sweden, Finland
- council of employees, introduced, for example, in Germany, Austria, the Netherlands, Slovenia
- a mixed committee, as a completely different approach to the implementation of the Directives, for example in France

In the meantime, the opinions and attitudes of businesses and trade unions, marked by mostly distrust and contempt, are not surprising, with a growing number of positive examples of good cooperation between employers and employees. Similar positions were represented on both the employers' and the trade unions' side during an event organized on the national level, within the Project activities and with the financial support of the European Union, on 25 October 2019 at the members of Parliament Club in Belgrade.

The general and most important conclusion of the participants of the meeting is that, regardless of the existence or absence of relevant legal regulations, there is a clear interest on the part of both employers and trade unions, for which it is necessary to establish a channel for mutual exchange of information and consultation. It is also important that this process takes place in a timely and of good quality manner, as this will only contribute to achieving the desired results - a stable company competitive in the market and stable and quality working conditions.

