

3 Workers' self-management and Quality Management

Workers' self-management

Self-management or Workers' self-management (also referred to as Labor management, Workers' control, Industrial democracy and Producer cooperatives) is a form of management that involves management of an organization by its workers. Self-management is a characteristic of many models of socialism, with proposals for self-management having appeared many times throughout the history of the socialist movement, advocated variously by market socialists, communists and anarchists.

There are many variations of self-management. In some variations, all the worker-members manage the enterprise directly through assemblies; in other forms, workers manage indirectly through the appointment of managers through election. Self-management may include worker supervision and oversight of an organization by elected bodies, election of specialized managers, or management without any specialized managers as such. The goals of self-management are to improve performance by granting workers greater autonomy in their day-to-day operations (self-directed activity), while reducing alienation and eliminating exploitation.

Self-management of an organization may coincide with employee ownership of that organization, but self-management can also exist in the context of organizations under public ownership, and to a limited extent within private companies in the form of co-determination and worker representation on the board of directors.

Economic theory

An economic system consisting of self-managed enterprises is sometimes referred to as a participatory economy, self-managed economy or cooperative economy. This economic model is a major version of market socialism, stemming from the notion that people should be able to participate in making the decisions that affect their well-being. The major proponents of self-management and self-managed market socialism in the 20th century include the economists Benjamin Ward, Jaroslav Vanek and Branko Horvat. The Ward-Vanek model of self-management involves the diffusion of entrepreneurial roles amongst all the partners of the enterprise.

In the economic theory of self-management, workers are no longer employees but partners in the administration of their enterprise. Management theories in favor of greater self-management and self-directed activity cite the importance of autonomy for productivity in the firm, and economists in favor of self-management argue that cooperatives are more efficient than centrally-managed firms because every worker

receives a portion of the profit, thereby directly tying their productivity to their level of compensation.

Historical economic figures who supported cooperatives and self-management of some kind include the anarchist Pierre Joseph Proudhon, classical economist John Stuart Mill, and the neoclassical economist Alfred Marshall. Contemporary proponents of self-management include the American Marxist economist Richard D. Wolff.

Classical economics

In the 19th century, the idea of a self-managed economy was first fully articulated by the anarchist philosopher and economist Pierre-Joseph Proudhon. This economic model was called mutualism to highlight the mutual relationship among individuals in this system (in contrast to the "parasitism" of capitalist society) and involved cooperatives operating in a free-market economy.

Karl Marx championed the idea of a "free association of producers" as a characteristic of communist society, where self-management processes replaced the traditional notion of the centralized state. This concept is related to the Marxist idea of transcending alienation.

Political movements

North America

During the Great Depression, worker and utility cooperatives flourished to the point that more than half of US farmers belonged to a cooperative. In general worker cooperatives and cooperative banking institutions were formed across the country and became a thriving alternative for workers and customers. Now, due to the economic downturn and stagnation in the rustbelt, worker cooperatives such as the Evergreen Cooperatives have been formed in response, inspired by Mondragon.

South America

In October 2005 the first Encuentro Latinoamericano de Empresas Recuperadas ("Latin American Encounter of Recovered Companies") took place in Caracas, Venezuela, with representatives of 263 such companies from different countries living through similar economical and social situations. The meeting had, as its main outcome, the Compromiso de Caracas (Caracas' Commitment); a vindicating text of the movement.

Poster for the Movimiento Nacional de Empresas Recuperadas (MNER), at a worker-recovered print shop, Chilavert Artes Gráficas in Buenos Aires

Argentina's fábricas recuperadas movement, which emerged in response to Argentine's 2001 economic crisis, is the current most significant workers' self-management phenomenon in the world.

English-language discussions of this phenomenon may employ several different translations of the original Spanish expression other than recovered factory. For example, recuperated factory/business, reclaimed factory, and worker-run factory have been noted. The phenomenon is also known as "autogestion," which comes from the French word for self-management (applied to factories, popular education systems, and other uses). Worker self-management may coincide with employee ownership.

Argentina's fábricas recuperadas movement, which emerged in response to Argentine's 2001 economic crisis, is the current most significant workers' self-management phenomenon in the world. Workers took over control of the factories in which they had worked, commonly after bankruptcy, or after a factory occupation to circumvent a lockout.

Fábricas recuperadas means "reclaimed/recovered factories." The Spanish verb recuperar means not only "to get back", "to take back" or "to reclaim" but also "to put back into good condition". Although initially referring to industrial facilities, the term may also apply to businesses other than factories (e.g. Hotel Bauen in Buenos Aires).

Throughout the 1990s in Argentina's southern province of Neuquén, drastic economic and political events occurred where the citizens ultimately rose up. Although the first shift occurred in a single factory, bosses were progressively fired throughout the province so that by 2005 the workers of the province controlled most of the factories.

The movement emerged as a response to Argentine's 2001 economic crisis, and about 200 Argentine companies were "recovered" by their workers and turned into co-operatives. Prominent examples include the Brukman factory, the Hotel Bauen and FaSinPat (formerly known as Zanon). As of 2005, about 15,000 Argentine workers run recovered factories.

The phenomenon of fabricas recuperadas ("recovered factories") is not new in Argentina. Rather, such social movements were completely dismantled during the

so-called "Dirty War" in the 1970s. Thus, during Héctor Cámpora's first months of government (May–July 1973), a rather moderate and left-wing Peronist, approximately 600 social conflicts, strikes and factory occupations had taken place.

Many recovered factories are run co-operatively and all workers receive the same wage. Important management decisions are taken democratically by an assembly of all workers, rather than by professional managers.

The proliferation of these "recoveries" has led to the formation of a recovered factory movement, which has ties to a diverse political network including socialists, Peronists, anarchists and communists. Organizationally, this includes two major federations of recovered factories, the larger Movimiento Nacional de Empresas Recuperadas (or National Movement of Recuperated Businesses, or MNER) on the left and the smaller National Movement of Recuperated Factories (MNFR) on the right. Some labor unions, unemployed protestors (known as piqueteros), traditional worker cooperatives and a range of political groups have also provided support for these take-overs. In March 2003, with the help of the MNER, former employees of the luxury Hotel Bauen occupied the building and took control of it.

One of the highest difficulties such a movement faces is its relation towards the classic economic system, as most classically managed firms refused,[verification needed] for various reasons (among which ideological hostility to the very principle of autogestion) to work and deal with recovered factories. Thus, isolated recovered factories find it easier to work together in building an alternative, more democratic economic system and thus manage to reach a critical size and power which enables it to negotiate with the ordinary capitalistic firms.

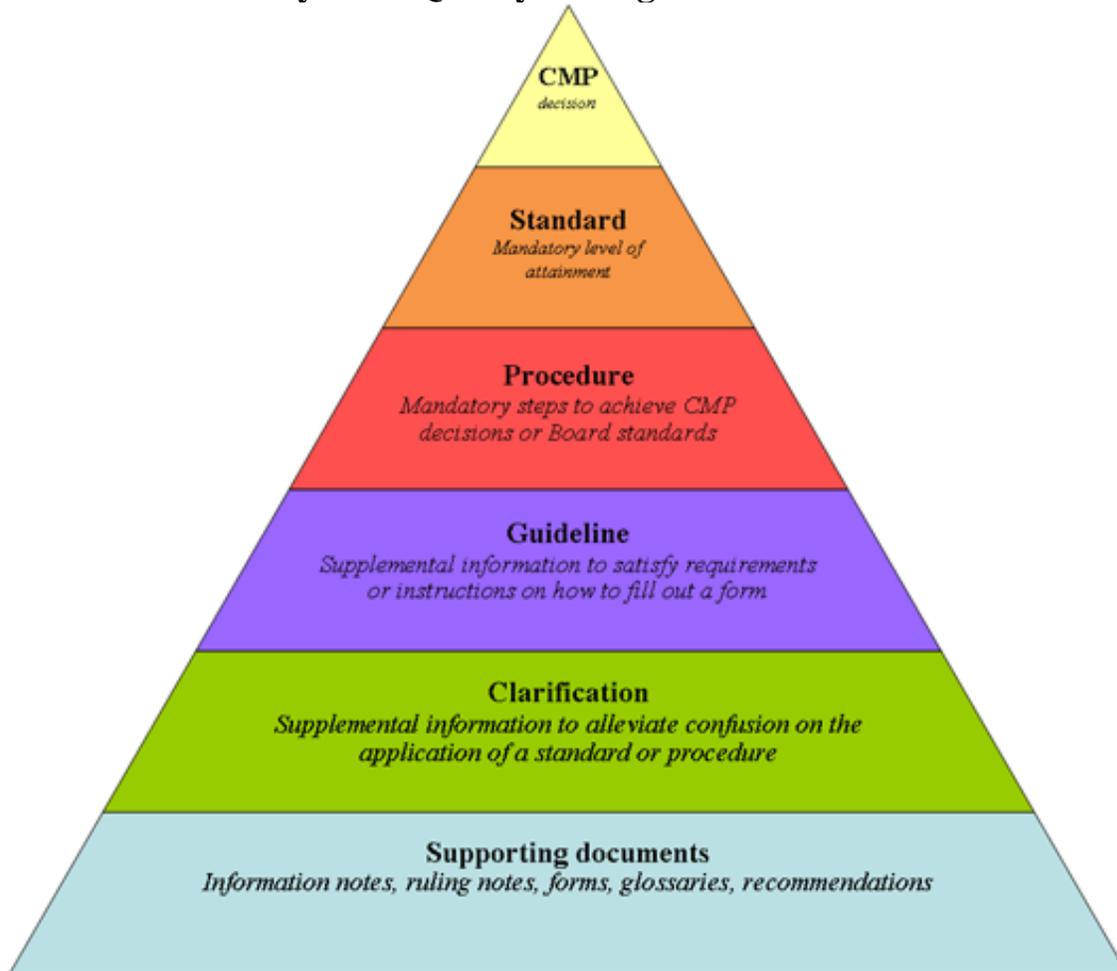
The movement led in 2011 to a new bankruptcy law that facilitates take over by the workers. The legislation was signed into law by President Cristina Kirchner on June 29, 2011.

3.1 Measuring Management Strategic information

Quality management system (QMS) can be expressed as the organizational structure, procedures, processes and resources needed to implement quality management. Early systems emphasized predictable outcomes of an industrial product production line, using simple statistics and random sampling. By the 20th century, labor inputs were typically the most costly inputs in most industrialized societies, so focus shifted to team cooperation and dynamics, especially the early signaling of problems via a continuous improvement cycle. In the 21st century, QMS has tended to converge with sustainability and transparency initiatives, as both

investor and customer satisfaction and perceived quality is increasingly tied to these factors. Of all QMS regimes, the ISO 9000 family of standards is probably the most widely implemented worldwide - the ISO 19011 audit regime applies to both, and deals with quality and sustainability and their integration.

3.2 Documentation Systems Quality Management



A quality system is the method used to ensure that the quality level of a product or service is maintained.

All documentation moves from one level to the next in a descending order. If the system is properly structured, changes at one level will seldom affect the level above it, but may affect those below.

Policy

The first tier of documentation is the policy manual. This is the document that defines what will be done and why. A quality policy manual should be written so it is clear, precise and practical, and easy to understand. The why can be stated just once as a quality policy statement. This statement should be a short, simple definition of the organization's quality intentions.

The remainder of the policy manual addresses that will be done to comply with the standard being used. Another way looking at the policy manual is to think of it as the commandments of the system. Each element of the standard is addressed individually and usually requires one page or less.

3.3 Contents of a Quality Procedure

The second tier of documentation is quality procedures. These procedures describe the methods that will be used to implement and perform the stated policies. The procedures define who should perform the specific tasks, when the task should be done, and where the documentation will be made showing that task was performed.

They indicate the strategies that will be used to ensure the quality of the system. Procedures are more detailed than policies; whoever, they, too, should be written in a manner that will allow for easy understanding. It should be noted that procedures are not required for all elements. Many organizations combine the policy and procedures into one document. A procedure is needed if its absence would adversely affect the activity.

Work Instructions

Work instructions are usually department, machine, task, or product oriented a spell how a job will be done. The instructions are the most detailed of the documentation hierarchy. A work instruction may be in the form of a detailed drawing, recipe, routing sheet, specific job function (for example, turn nut four turns clockwise), photograph, video, or simply a sample for comparison or conformity.

The writing of work instruction is best carried out by the employee who performs the task. This person knows the process and problems encountered in that process. However, a documentation specialist may needed to do actually writing. This method also creates a pride of ownership in the document, making it more likely to be carried out. Additionally, employee participation helps to ensure that future improvements will be suggested. Not every task requires a work instruction. For example, you don't need to tell a computer specialist to turn on the PC.

Records

Records are a way of documenting that the policies, procedures, and work instructions have been followed. Records may be forms that are filled out, a stamp of approval on a product, or a signature and date on some type of document, such as routing sheet. Records are used to provide traceability of actions taken on a specific product or batch of products. They provide data for corrective actions and a way of recalling products, if necessary.

3.4 Format of a Quality Procedure

The International Organization for Standardization maintains a series of standards for ensuring quality. The ISO 9001 standard requires that a compliant company has a set of procedures, monitoring processes, documentation, defect checking and regular reviews to facilitate continuous improvement. To become certified, a company is audited by an independent body to demonstrate that it has established these formal business processes and procedures. You must also conduct internal audits yourself to ensure the system is working. An audit reveals the descriptions, written references and usage validation as well as whether the procedure is actually helping to improve quality.

Quality Management Systems Procedure Development

Quality is a subjective term that typically means a product or service meets. The ISO 9000 family of standards is based on eight quality management principles: customer focus, leadership, people involvement, process approach, system approach, continuous improvement, decision making and good supplier relationships. Define procedures to help you understand your current and future customer requirements. Align activities to a clearly articulated vision and strategic goal. Involve employees and make them responsible for their actions. Define procedures that use resources effectively and imaginatively. Integrate procedures to ensure consistency and adherence. Plan to adjust procedures regularly to maintain a level of continuous improvement. Analyze data produced by procedures to make effective decisions. Minimize costs associated with procedures.

3.5 Implementation of Quality Management Systems

Benefits associated with ensuring quality as defined by the ISO quality standards include increased revenue and lower operational costs due to increased productivity. By incorporating and widely communicating quality procedures into your operations, you contribute to a consistent strategy and

vision for all levels of your company. Encouraging creativity in response to problems found through the quality management process motivates innovative approaches.