

A study on Employees participation Indecision Making in an Organisaton

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ABSTRACT

This study examines how individual factors affecting employee participation in decision-making (PDM) affect middle- and top-level managers' organisational performance in the private sector. Trust, demographic similarities, individualism on a personal level, and collectivism on a personal level are the individual elements at play. As a moderating element for the correlations between the individual factor and PDM, leader-member exchange (LMX) is added. With self-efficacy acting as the moderator, the relationship between PDM and organisational citizenship behaviour is also investigated. The findings of the study will show that the only personal component that affects PDM is trust. Self-efficacy moderates the relationship between PDM and OCB. Leader member exchange, however, had no moderating impact. The study's main conclusion is that the respondents' varied levels of PDM may be explained by their level of trust in one another.

Key Words: Participation in Decision Making; Organisational Citizenship Behaviour; Leader- Member Exchange; Demographic Similarity, firm performance.

INTRODUCTION

A certain logic supports the opinion that an organization benefits from their managers and employees collaborating, and research has shown the close link between organizational and individual effectiveness (Irawanto, 2015). Management experts have long been interested in the connection between work success and involvement.. If employees are to understand the need for creativity and commit to changing their work behaviors in new and improved ways, they must be involved (Singh, 2009; Kingir & Mesci, 2010). Employee involvement in decision-making creates a sense of belonging among workers and an agreeable environment in which both management and employees willingly contribute to healthy relations (Noah, 2008). Therefore, participation in decision-making by employees can be viewed as a motivating factor for promoting high productivity and a positive attitude (Noah, 2008). This study assesses whether employee participation in decision-making has a significant effect on company performance because there is ongoing skepticisms regarding the relevance and usefulness of employee participation in decision-making to firm success.

PDM is not a recent concept, and its research dates back several decades. Due to increasing competitive constraints that required American corporations to perform at higher levels, strategies like PDM gained significant significance in the 1980s (Paul et al., 2000). The primary focus of this study is on the various elements that affect the existence of PDM. Such a study is helpful in deciding what actions should be taken to booster reduce specific elements that could boost or lower the likelihood of PDM. When PDM has been linked to significant outcomes that are of particular importance to organisations, and certain recent findings from ongoing research on the method and effects of further research is necessary, as participation (Jabroun & Balakrishnan, 2000; Maree, 2000; Parnell & Crandall, 2003).

OBJECTIVES

This study's main goal is to determine the degree to which various factors affect PDM. The individual factors in this study include idiocentri-allocentrism, demographic similarity, and trust. This study primarily aims to investigate the degree to which:

- a) There is a connection between each separate factor and PDM.
- b) LMX mediates both the PDM connections and the individual variables respectively
- c. Self-efficacy moderates the association between PDM and OCB.

LITERATURE REVIEW

Employee decision-making involvement, often referred to as participatory decision-making, has to do with workplace shared decision-making (Mitchell, 1973). PDM refers to the level of employee participation in organisational decision-making that a company fosters or permits (Talib & Rahman, 2010). The effect of PDM on performance has been researched ever since the 1940s. However, in the 1980s, PDM techniques saw fresh interest as American corporations faced competitive pressures needing higher performance levels (Paul, Niehoff, Turnley, 2000). and prior studies have proved this. that management can increase worker engagement through PDM. boost employee satisfaction (Cotton, Vollrath, Froggatt, Lengnick-Hall, Jennings, 1988). According to Vroom (1974), involvement is a concept of participation, and managers should treat their personnel fairly to achieve organizational goals. Within the hierarchy of needs, employee participation in corporate decision-making has a position (Mitchell, 1973; Vroom, 1974). Many employees may find it difficult to participate in decision-making, but it may also enhance their motivation (Scott & Marshall, 2004). Effective management strategy execution and employee job satisfaction depend heavily on employee participation (Harber, Marriott, Idrus, 1991; Ardichvili, Page, Wentling, 2003). According to Black and Gregersen (1997), PDM can be formal or informal. A formal system includes clear rules on who may participate, what decisions employees may influence, and how involvement takes place. An informal system's participation and discussion rules are far less clearly defined than those of a formal system. In an informal system, participation requirements and discussion topics are much less clearly defined. More systems use formal methods (Black & Gregersen, 1997).

METHODOLOGY

Between 15 December and the mid of February 2015, a survey was carried out. The chief executive or senior management of each sample company received a phone call outlining the study and requesting their email in order to sign up as a volunteer participant. This person was then tasked with obtaining consent and selecting suitable respondents from his firm's staff or middle-level. The pharmaceutical company received 165 copies of the questionnaire through email; 151 of those copies were filled out and returned. Based on a literature analysis, a structured, pre-validated, and piloted questionnaire was used in this investigation. The PDM questionnaire was adapted from Barringer and Bluedorn (1999), and 20 statements on a five-point Likert scale were used to represent the characteristics of PDM. The scale, which ranged from minimal engagement to strong involvement, assessed how much different hierarchical levels involves a number of employees. decision-making within an organization's (process of strategic planning). To determine the average level of employee decision-making at the firms, the 30 item scores were added up and averaged. Low or shallow PDM was defined as an index of less than 3.0, and high or deep PDM as an index of 3.0 or higher. Ten performance factors were included in the firms' performance scale, which was established from Khandwalla (1995).

Theoretical background And Hypotheses:

The viewing of PDM in relation to employee motivation was made possible by the motivation content theories. PDM focuses on the theories of Maslow, Alderfer, McClelland, and Herzberg, which directly defines perspective of management on employees and its effects. PDM is used to address higher level requirements. Reviewing the contributions of the need theories created by these theorists might offer useful frameworks for comprehending employee motivation in the workplace. These need theories suggest that higher level requirements are what motivate individuals in today's modern organisations, and curiously, participating literature and research have identified PDM to meet these demands (Lunjew, 1994).

Trust and PDM

Since it is seen to be necessary for organisational effectiveness, interpersonal trust is at the centre of organisational coordination and control (Gomez & Rosen, 2001). (McAllister, 1995). Many concur that having some level of control over the decision-making process, like having the chance to voice thoughts, is favorably correlated with managers' ability to inspire trust (Bauer & Green, 1996). When managers include their employees in decision-making, they give them a greater sense of control over decisions that have an impact on them and may thus better defend their own interests. In agency terminology, this sort of employee control lessens the possibility of manager opportunism.

PDM and comparable demographics:

Age, gender, ethnicity, occupation, and education—the demographic features of people—have long been seen as crucial factors in psychological study (see, for instance, Tsui & O'Reilly, 1989). Based on the idea that people are drawn to those who are similar to them in terms of demographic qualities, interests, or views, Tsui and O'Reilly (1989) chose demography as a research topic (Bryne, Clore & Worchel, 1966). The literature consistently, albeit barely, supports the same-race and same-gender biases on performance (Kraiger & Ford, 1985; Mobley, 1982). Raters of the same race and gender tended to rate ratees more favourably. According to Tsui and O'Reilly (1989), a supervisor's opinion of a subordinate's effectiveness is correlated with their attitude towards them. the

inferiors. In comparison to their counterparts in same-gender dyads, the subordinates in mixed-gender dyads were said to perform worse and receive less favour. In addition, subordinates in mixed-gender dyads reported higher levels of conflict and uncertainty in their roles.

Labels Used for Constructs

The variable labels utilized in this investigation are shown as follows:

PDM: Decision-making involvement

OCB: Corporate citizenship

TRUST: Trust

ALLO: Allocentrism

IDIO: Idiocentrism

Leader-member exchange (LMX)

GENDER: Gender resemblance between superiors and inferiors **RACE:** Similarity between superior-subordinate ethnic groups.

Limitation of Study

Due to the purposeful sampling method used, it is not appropriate to generalise the results of this study to other situations at random. However, there are some useful conclusions from this study that managers in Malaysia's other organisations and sectors, outside from the private sector, may want to take into account.

Even though the goal of this study was to explore the perspectives of top and intermediate level managers on all aspects, relying simply on self-report data has significant limits. However, obtaining information from subordinates would have allowed us to determine whether superior and subordinate perceptions were different or comparable. However, this might encourage future researchers to consider looking into the perspectives of both superiors and subordinates on the relevant variables.

Future Research Suggestions

Despite participation research's essential importance as an organisational phenomena, it has so far created many more issues than it has answered. Several options for improving this study area are given in light of the current PDM work. Babbie (1989), while examining the drawbacks of the survey research method in organisational studies, noted that when research on social processes is carried out using a large number of respondents, there is a tendency to rely on gross models and extremely general assessments of genuine human behaviour. As a result, as we move farther away from face-to-face contact, we become more prone to errors of incorrect interpretation or inference. An exploratory study could be added to this study to help it get over this drawback.

To ascertain the PDM situation in an organisational environment, a qualitative type of study can be conducted. Survey tools or interview schedules might be created and distributed to the entire sample based on the understanding of fundamental organisational behaviours acquired from this exercise. The validity of results and the dependability of measurements should both be enhanced by this methodology.

DISCUSSION AND CONCLUSION

The study shows a strong and favourable correlation between PDM and firm performance, with more PDM leading to better firm performance. Employees who participate in decision-making have access to the resources needed to accomplish a project (Zubair et al., 2015), and they may be able to define working norms and conditions as well as have an impact on the rewards system (Thibaut and Walker, 1975). The study's findings show that PDM can have an impact on corporate performance, even while employee participation in decision-making was, on average, low for the sample organisations. Because they follow a high-power distance culture where employees are seen but not heard, this suggests that company managers may not be analytical about employee PDM.

In Employees of the company come to Saudi Arabia from various cultures where there is discord and even more internal conflict; as a result, managers tackle the problems by making the decisions. In contrast to other cultures, Saudi Arabia scored highly on masculinity, highly on avoiding ambiguity, somewhat highly on collectivism, and extremely highly on power distance, according to Hofstede's cultural research from 1994. Though this stern perception of Saudi culture is gradually receding, experts may question if Saudi workers are culturally ready to adopt management approaches like PDM in light of Hofstede's results. Additionally, Saudi Arabian authorities are pursuing novel and unconventional ideas to shorten the duration of foreign workers' stays, deter businesses from hiring them, or limit their stay by providing citizens with alternative job opportunities. In contrast, this means reducing employee PDM in the current environment, where the majority of them possess expertise.

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