

Influence of Employee's Participation in Decision making on Organization Commitment

**P.Priya, Ph.D Research scholar,
Dr.M.Chandran (Corresponding author)
HOD & Research Supervisor,
Department of Commerce
Vels ,Vistas,pallavaram Chennai**

Abstract

Employee involvement in decision making is claimed to enhance commitment and efficiency in organizations but the absence of employees involved in decision-making process could result in job dissatisfaction which probably could lead to confrontation. Therefore the purpose of the study was to examine the effect of employee involvement practices on decision-making process. The study is descriptive and exploratory in approach. Primary and secondary data were the sources of data collection. The findings of the study also showed that loyalty, pride and job satisfaction had a weak relationship with employee involvement. Moreover management's ability to encourage and accept employee's views can also be achieved through the organization of management training programmes. This will lead to better decision-making, effective implementation of decisions and superior employee performance.

Keywords: Employee involvement, Decision making, Employee performance, organisational commitment

Introduction

Employee participation is considered as a combination of different tools designed to increase their input of various degrees in managerial decision making like organizational commitment, reduction of employee intention to turnover and absenteeism, increase in productivity and motivation. Since Late 60s researchers of HR and Industrial Relations have been investigating the extent and type of employee participation within the organizations.

Participation in decision-making and decentralization are the most important organizational characteristics that influence not only employee productivity, job satisfaction, motivation but also organizational commitment. Organizations are required to adopt techniques which are flexible, adaptive and competitive due to the competitive pressures and rapid change in market conditions. More over organizations are realizing that their employees are the most important asset and organization's future depends on more involvement of employees in generating new ideas. The involvement of employees can help in many ways to the organizations including enhancing and generating creativity; changes in

behaviours at work; workforce commitment and in organizational decision making processes. In many cases, managers are encouraged to allow a high degree of employee participation and autonomy to increase workforce commitment.

Employee participation can be seen as a roof which can be found under a wide range of practices, having potential to serve different interests. Any study focusing employee participation include wide-range of aspects in the form of employee share schemes, employee involvement and high-commitment work practices, collective bargaining, employee empowerment, team working and partnership to capture the full picture of participation.

Review of Literature

(Denison, 2007) states that engagement refers to the level of participation by members in an organization's decision-making process. It also refers to the sense of responsibility and commitment thereby engendered.

McShane and Von Glinow (2003) argue that when there is engagement, employees have some level of authority in making decisions that were not previously within their mandate. They stated that employee engagement extends beyond controlling resources for one's own job; it includes the power to influence decisions in the work unit and organization.

Meyers (1994) and Somech (2002) view that employees who are allowed to participate in decision making will fulfil higher order psychological needs and therefore exhibit higher level of satisfaction, morale and outcomes closely linked to improved performance.

Hafiz Imran etc (2014) intends to investigate the impact of job satisfaction and job performance toward organisational commitment. The result of the study indicates strong positive relationship between job satisfaction and performance whereas organisational Commitment has strong positive relation with performance and attitude towards work.

Bakker (2004) decision making should start with the identification of decision maker and stakeholders in decision, reducing the possible discrepancy about problem classification, requirements, goals and criteria. The effect of involvement on performance has been increasingly uncertain in recent years.

Muhammad Arifkhattak, Nadeem iqbal, Sajidrahmankhattak, Syedafaizaurooj[2011] determines the relationship among employee involvement and organizational performance in Pakistani organizations. It focuses on three components of employees involvement namely empowerment, team orientation and capacity development.

Objectives

The objectives of the study are as follows:

- To identify the reasons for level of employee involvement practices in decision-making process
- To determine the consequences of employee involvement practices in decision-making process with reference to organisation commitment
- To make recommendations on how to improve employee involvement practice in decision-making process

Scope of the study

This study seeks to address issues of employee involvement in decision-making with reference to organisational commitment . The study specifically focuses on the involvement of employees in the decision-making process.

Statement of problem

Employee involvement in decision making is very critical to the survival of every organization and therefore needs serious attention to be able to address this attitude and ensure harmony in employer-employee relationship. The involvement of employees in decision-making allows them to feel as of part of the organization to ensure the achievement of organizational goals.

Research Methodology

The study will be exploratory and descriptive. Primary and secondary data will be collected for the study. Primary data in this means that information specifically collected for the purpose of the study and secondary data information will be collected from data that has already been collected for some other purpose.

Questionnaire Designed

The questionnaire consists of three parts namely personal, organisational profile of the employees, employee's participation variable and The questionnaire consists of three parts namely personal, organisational profile of the employees, employee's participation variable and organisational commitment variable. In the first half the questionnaire consists of only optional types questions whereas second and third part consists of statement in Likert five point scale.

Data Collection

After the pilot study the researcher circulated the questionnaire in three companies. The researcher circulated questionnaires in each companies. After circulating 100 questionnaires the researcher obtained 80 filled in respondents hence sample size of the research is 80.

Data Analysis

After obtaining 80 responses, in order analyse them they are systematically coded and tabulated. The following research instrument are used to analyse the data

Limitations of study

The fact that this is a study of the companies, limits the extent to which generalizations of any outcome of this study can be applied to all other sectors and industries. The study can be carried out in other sectors of the economy.

Analysis and Interpretation

The tool used for the study is “Percentage”.

PERCENTAGE: Percentage is a number or ratio expressed as a fraction of 100. It is denoted using the percent sign, “%” or the abbreviation “pct”.

Table 1

Showing The Overall Study On Employee participation For the Achievement of Organizational commitment using Percentage:

S.NO	FACTORS	TOTAL RESPONDENTS	PERCENTAGE AGREE	PERCENTAGE DISAGREE
1.	Employees should be supervised.	100	81%	19%
2.	It is a key to being a good leader.	100	93%	7%
3.	Employee must give rewards or punishment for their achievement.	100	84%	16%
4.	Leaders give order & clarify procedures.	100	74%	26%
5.	Leaders help subordinates to find their passion.	100	69%	31%
6.	Decision making process.	100	84%	16%
7.	Employees feel insecure in their work.	100	77%	23%

8.	People were basically competent.	100	78%	22%
9.	Workers prefer little input from the leader.	100	69%	31%
10.	Workers want frequent & supportive communication.	100	73%	27%
11.	Employees help & represent the team.	100	81%	19%
12.	Employees manages the given time effectively.	100	83%	17%
13.	Knowledge and intelligence to develop their team work.	100	84%	16%
14.	Leaders should have a personal interaction with team members.	100	79%	21%
15.	Employees serves as a good decision maker.	100	79%	21%
	TOTAL	1500	1188	312

Interpretation

The above table shows that 81% of the respondents agree that employees should be supervised, 93% of the respondents agree that it is a key to bring a good leader, 84% of the respondents agree that employee must give rewards or punishment for their achievement, 74% of the respondents agree that leaders give order & clarify procedure, 69% of the respondents agree that leaders help subordinates to find their passion, 84% of the respondents agree that there is a decision making process, 77% of the respondents agree that employees feel insecure in their work, 78% of the respondents agree that people were basically competent, 69% of the respondents agree that workers prefer little input from the leader, 73% of the respondents agree that workers want frequent & supportive communication, 81% of the respondents agree that leaders help & represent the team, 83% of the respondents agree that leaders manages the given time effectively, 84% of the respondents agree that knowledge and intelligence to

develop their team work, 79% of the respondents agree that leaders should have a personal interaction with team members, 79% of the respondents agree that leader serves as a good decision maker.

TABLE 2
DESCRIPTIVE STATISTICS OF STUDY VARIABLES

	N	MEAN	STANDARD DEVIATION	SKEWNESS	
	Statistics	Statistics	Statistics	Statistics	Standard error
Employee Involvement	320	4.3491	.30931	-.150	.136
Profitability	320	4.4012	.45070	-.352	.136
Productivity	320	4.2438	.44039	.291	.136
Market share	320	3.9232	.49134	-.212	.136

Source: SPSS Output on the analysis of Research Data.

The mean score of profitability ($x= 4.40$) also shows that the high level of participation of employees in the banks have led to a high level of profitability. In other words, the high level of the sense belonging and responsibility on the part of the employees have led to a high level of profitability in the banks in Nigeria. The mean score of productivity ($x=4.24$) also shows that the high level of employee involvement in the banks have positively impacted on the banks level of productivity. Similarly, the banks market share is high ($x=3.9$) as a result of employees' level of involvement which may have enhanced customer satisfaction. Satisfied customers help to advertise their respective banks leading to increase in market share.

CONCLUSION

Employee involvement is an important tool a manager needs to obtain commitment from employees as it creates a sense of ownership and responsibility towards the organization. Involved and committed employees work hard to ensure the achievement of organizational goals (i.e. increased profitability, productivity and market share). A culture of employee involvement will enhance organizational effectiveness. The results also reveal that employee involvement impacts on organizational productivity and market share. Employees are more committed to a decision or course when they are involved in the decision-making process. The more employees are involved the more they tend to be committed and every organization requires committed workforce to achieve its goals.

Employees should be involved in decision-making, as it will make them to be committed to the achievement of the decisions taken. Organisation should also place emphasis on capacity development as this tends to enhance the contribution of the employees towards the achievement of the organizational objectives.

REFERENCES

Amah, E (2006) **Human Resource Management**. Amethyst Publishers Port Harcourt.

Baridam, D.M (2001) *Research Methods in Administrative Sciences*. Sherbrooke Associates, Port Harcourt. 3rd Edition.

Bateman, T.S and Snell, S.A (1999) **Management: Building Competitive Advantage** 4thed Irwin McGraw Hills Inc. New Jersey

Denison, D. R (2007) *Denison Organizational Culture Model*. Denison Consulting An Arbor Zurich Shanghai

Denison D.R. and Mishra A.K (1995) 'Toward a theory of Organizational Culture and effectiveness' *Organization Science* 6: 2 204 – 223.