

Effect of Workers Participation in Management Decision Making in Michael Okpara University of Agriculture, Umudike

Ndubuisi, Ohakalam. C.

Department of Industrial Relation and Personnel Management,
Michael Okpara University of Agriculture, Umudike, Nigeria

Prof O. B. Emerole

Department of Industrial Relation and Personnel Management,
Michael Okpara University of Agriculture, Umudike, Nigeria

Dr. Mrs Abigail Eke

Department of Industrial Relation and Personnel Management,
Michael Okpara University of Agriculture, Umudike, Nigeria

DOI: 10.56201/wjeds.v9.no4.2024.pg78.88

Abstract

This paper investigated on the effect of Worker Participation in Management Decision making within Michael Okpara University of Agriculture, Umudike. The study involved a survey in which a total of two hundred and fifty for both managerial staff academic staff and non management workers drawn. Interview schedule and in-depth interview were the main research techniques adopted for data collection while percentage distribution and simple random sampling techniques were used to analyze the data collected for the study. Results show that workers in organizations demonstrate a high interest in participation in the decision making process within their respective work places there is significant effect of worker participation in the management decision making on the organization performance. There is correlation relationship between workers participation in decision making and workers welfare However, the actual level of involvement in management decision making demonstrated by the employees was found to be relatively low. The study reveals a growing desire of non-management workers in the work environment to exercise greater involvement in the decision making process of the enterprise. Majority of the workers informed that decisions taken at the committee meetings are implemented has the positive opinion about the councils working and performance the organization has been considering the prerequisites of successful workers participation and feels that shop council and plant council benefit the organization to great extent.

Keywords: *Effect; Workers, Management Decision, Making; Participation and Organization*

Background of the Study

The concept of worker participation represents a popular theme in the analysis of the world of work among scholars in the fields of Industrial Sociology, Industrial Relations as well as Management. It refers to any arrangement which is designed to involve low cadre employees

(workers) in the important decision making within the workplace. This implies that rather than saddling only a group within the enterprise (for instance, Management) with the responsibility of making decisions, all those who are to be affected by these decisions (including the workers) would be involved in its formulation and implementation Bansal, P. C. (2007).

Workers' Participation in Management John Leitch has defined Industrial Democracy as "the organization of any factory or other business institution into a little democratic state with a representative government which shall have both the legislative and executive phases". In the same manner as political democracy has converted subjects into citizens, with right of self-determination and self-government, industrial democracy converts the workers from the mere subjects obeying the orders of the employers, into citizens of the industrial world, a right to self-determination and self-government, that is, representative participation in making rules and enforcing them. This is known as Workers' Participation in Management, workers' participation in management means giving scope for workers to influence the managerial decision-making process at different levels by various forms in the organization. The principal forms of workers' participation are information sharing, joint consultation, suggestion schemes, etc Buchko, Aaron A. (1993).

In recent time, scholars have directed increasing attention to the issue of worker participation and its broader corollary, industrial democracy (Mankidy, 1984; Cooke, (1992), Kelley, M. R., and A. Harrison. (1992); Pylee, (1995),). These concerns reflect a growing interest in finding ways to make work more meaningful and satisfying to the workers. This rests on the belief that the organizational goals of high productivity and harmonious industrial relations are best achieved when the higher level needs of the human elements (workers) are satisfied.

Worker participation implies arrangements designed to involve workers in the enterprise's decision making process. This allows for workers' involvement in the initiation, formulation and implementation of decisions within the enterprise. The concept can also be understood in terms of a new approach to industry and society in which people want to be interested with the taking of decisions which have direct bearing on them Bernstein, Paul (1982).

Mankidy, (1984) contends that worker participation consists basically in creating opportunities under suitable conditions for people to influence decisions which affect them. It is a special case of delegation in which the subordinate gains greater control, greater freedom of choice with respect to bridging the communication gap between the management and the workers. This serves to create a sense of belonging among the workers as well as a conducive environment in which both the workers would voluntarily contribute to healthy industrial relations.

According to the International Institute for Labor studies "Workers Participation in Management is the participation resulting from practices which increase the scope for employee's share of influence in decision-making at different tiers of organizational hierarchy with concomitant assumption of responsibility" Miller, and Monge, (1986).

In the words of Davis "It is a mental and emotional involvement of a person in a group situation which encourages him to contribute to goals and share responsibilities in them".

The origin and concept of Workers Participation in Management can be traced back to the writings of Fabian socialists headed by Sydney Webb that highlighted the economic and social disorders of industrially developing countries and stressed the need for unity and cooperation among partners of production. The concept received further impetus from the origin and growth of political democracy in many parts of the world. It came to be believed that political democracy could not

survive unless economic and industrial democracies were also achieved. Many writers advocated that just as people should have the right to choose their governments, the workers too should have the right to influence the managerial decisions, if not the right to choose the management. Many writers in the field of management emphasized the human side of enterprise and came to be collectively designated as the behaviouralists Mahatma Gandhi mooted the idea of Workers Participation in Management through his concept of trusteeship. Firstly, the demand of continuous production during the two world wars prompted the managers to introduce such strategies as would ensure uninterrupted industrial activity.

Secondly, the differentiation between Management and Entrepreneurs accelerated the pace of professionalization in Industrial Management Sundaray, B. K. (2007).

It was during the days of the world war that the concept found its first practical application. Faced by the twin problems of maintaining industrial peace and improving productivity, the Governments in many belligerent countries persuaded management's to establish joint committees for expeditiously resolving these problems through consultation. In the United Kingdom following the recommendations of the Whitley committee a well-knit three-tier consultative system came into being. It consisted of works committees at the plant level, district councils at the district level and the joint industrial councils at the industry level. However, with the cessation of hostilities in 1918 and the onset of economic depression in 1921 the idea of joint consultation received a setback. The interest of the working class now shifted toward nationalization and centralized planning because these were considered to be the most appropriate remedies for economic stagnation and unemployment.

Today, the idea of workers participation has become institutionalized in several countries of the world. The schemes, however, widely vary from one country to another in respect of range of subjects handled by participation machinery, in the degree of authority exercised with regard to these subjects, and in the methods of selection of workers representatives.

Statement of Problem

A modern forward-looking organization does not keep its workers in the dark about vital decisions affecting them. It trusts them and involves them in decision making at all levels. "Command and control" is no longer an adequate model. A more open and collaborative framework will exploit the talents of all employees (Hewitt, 2002). Workers must be involved if they are to understand the need for creativity and if they are to be committed to changing their behaviour at work, in new and improved ways (Singh, 2009; Kingir).

Workers involvement in decision making serves to create a sense of belonging among the workers as well as a congenial environment in which both the management and the workers voluntarily contribute to healthy industrial relations (Noah, 2008).

In order to increase the workers commitment and humanize the workplace with the intention of improving work performance and good citizenship behavior, managers need to permit a high degree of workers involvement (Cohen et al., 1997). Thus, the involvement of workers in decision making is considered as a tool for inducing motivation in the workers leading to positive work attitude and high productivity (Rathnasen, 2009). However, researchers may be skeptical about the value and effect of workers participation in decision making to their organization performance. It is in view of this that the study examines the following questions.

Research Questions

- 1 What is the significant effect of worker participation in the management decision making on the organization performance?
- 2 Is there any correlation relationship between workers participation in decision making and workers welfare?

Objectives of the Study

- 1 To examine the significant effect of worker participation in the management decision making on the organization performance.
- 2 To ascertain if there any correlation relationship between workers participation in decision making and workers welfare?

Hypotheses of the Study

- 1 H_0 : There is no significant effect of worker participation in the management decision making on the organization performance.
- 2 H_0 : There is no correlation relationship between workers participation in decision making and workers welfare.

Significance of the study

The study will be of immense importance to the public sector of Nigeria and other private organizations that are concerned with management and decision making of workers, power sharing along with national development, financial allocation authorities' poverty eradication programmes and political institutions in the country. It will enable the above mention government and private agencies to assess itself regarding how management decision making that concerned workers in Nigerian public and private sectors which has been militating sustainable national development since Nigeria independent.

The findings of this study will also bring new lease of hope to the people of Nigeria as the implementation of the findings will bring some relief and sense of belonging of workers in the organizations. Eradication of leadership regime that has become parochial with the overriding consideration for their organizational survival rather than national development, weak -legitimacy and patron-client or what is commonly known in Nigeria. The study will in a special way serve as a stimulus to the Department of Management Studies in various Universities in Nigeria and other non governmental agencies to revisit their curriculum/objects in order to ascertain how their management programmes towards management decision making of their workers and sustaining national development as it should touche the lives of the common people in our society especially as it relates to policy formulation and implementation.

Scope of the study

The study is only on the effect of worker participation in the management decision making on the organization performance. The study will be carried out within the Michael Okpara University of Agriculture, Umudike.

l*
• V?'

Literature Review

Theoretical Framework

Employee involvement in decision making, sometimes referred to as participative decision-making (PDM) is concerned with shared decision making in the work situation (Mitchell, 1973). Locke and Schweiger (1979) define it as 'joint decision making' between managers and subordinates. According to Noah (2008), it is a special form of delegation in which the subordinate gain greater control, greater freedom of choice with respect to bridging the communication gap between the management and the workers. It refers to the degree of employee's involvement in a firm's strategic planning activities. A firm can have a high or low degree of employee involvement. A high degree of involvement (deep employee involvement in decision making) means that all categories of employees are involved in the planning process. Conversely, a low degree of involvement (shallow employee involvement in decision making) indicates a fairly exclusive planning process (Barringer & Bleudom, 1999) which involves the top management only. A deep employee involvement in decision making allows the influence of the frontline employees in the planning process. These are the people who are closest to the customer and who can facilitate new product and service recognition, a central element in the entrepreneurial process (Li et al., 2006). This means that employee participation in the planning process surrounding the potential innovations may facilitate opportunity recognition throughout the organization (Kemelgor, 2002; Zivkovic et al., 2009).

The attitudes that organizational results come from the top, that effective cultures are derived, from the upper echelon, often tend to ignore the power and the contributions of those at lower levels (Woodworth, 1986). Thus ignoring the importance of employee involvement in decision making.

Employee Involvement in Decision Making and Culture

However, one cannot write meaningfully about employee involvement in decision making or PDM without embedding it within a national cultural context (Williamson, 2008). Thus, Sagie and Witte, (1980) propose a framework that links various types of PDM to the cultural context. This framework was based on two dimensions of Williamson, power distance and individualism-collectivism (I/C), as their link with PDM is strongest compared to other cultural dimensions (Heller et al. 1998). Power distance signifies how individuals regard power differentials within the society or firms (Wagner, 1994)). It influences the degree to which participation is practiced. In high power distance culture, decision-making is perceived as a privilege of management, and participation is considered as an infringement to management prerogative. Hence, employees are not involved in decision-making. In contrast, in low power distance culture, everyone is perceived to have the potential to contribute to the decision-making process; in fact, everyone is assumed to have equal rights. As such, employees consider it their right to participate in decisions that concern those (Sagie & Aycan, 2003).

On the other hand, individualism collectivism helps identifying the person or group involved in making decisions. The individualism-collectivism continuum is the extent to which an individual defines himself as either an independent agent or a part of the collective. Cultures high on individualism (or low in collectivism) emphasize the welfare, interests, and goals of the individual and his family. Each member in an individualistic culture is responsible for his actions. One's participation in decision making is not the business of everyone else.

Conversely, cultures high on collectivism (or low in individualism) emphasize the group.

In collectivistic cultures the entire group may be held responsible for the actions of its individual

I*
• V?

members. Hence, no individual is allowed to make decisions alone without the approval of the entire group (Sagie & Aycan, 2003).

According to Sagie and Aycan (2003), the combination of the two-by-two power distance (low/medium versus high) and individualism (low/medium versus high) give rise to four approaches to PDM: face-to-face, collective, pseudo, and paternalistic participation (see Table .1). *Face-to-face PDM* The combination of high individualism and low power distance gives 'way to face-to-face interaction. Faceto- face PDM is a direct superior-subordinate interaction; thus, the employees rather than their representatives are involved in decision- making process. However, employees who are necessarily involved are those who possess the needed knowledge and information not possessed by the superior. In other words, managers provide opportunities for participation on the basis of one's merits (Witte, 1980; Sagie & Aycan, 2003).

Benefits of Employee Involvement in Decision Making

There is an assumption held by many scholars and managers that if employees are adequately informed about matters concerning them and are afforded the opportunity to make decisions relevant to their work, then there will be benefits for both the organization and the individual (Shadur et al., 1999). Hence, the following are the benefits of employee involvement in decision making:

1. It increases employee's morale or job satisfaction and enhances productive efficiency (Chang & Lorenzi, 1983).
2. It provides employees the opportunity to use their private information, which can lead to better decisions for the organization (Williamson, 2008).
3. As a result of the incorporation of the ideas and information from employees, organizational flexibility, product quality, and productivity may improve (Preuss & Lautsch, 2002).
4. It contributes to greater trust and a sense of control on the part of the employees (Chang & Lorenzi, 1983).
5. Through employee involvement, resources required to monitor employee compliance (e.g., supervision and work rules) can be minimized, hence reducing costs (Arthur, 1994; Spreitzer & Mishra, 1999).
6. When employees are given the opportunities of contributing their ideas and suggestions in decision making, increased firms' performance may result since deep employee involvement in decision making maximizes viewpoints and a diversity of perspectives (Kemelgor, 2002). On his part, Sashkin (1976) identifies four corresponding outcomes of employees' involvement or participation in decision making:
 - .1. Quality Improvement. Better information flow- and use- can clarify tasks goals, and bring •• about qualitatively better decisions.
 2. Increase in employees¹ commitment and acceptance of decisions through a sense of "ownership"¹¹ (having been involved in decision-making). This outcome increases the likelihood that goals will be effectively implemented.
 3. Support of the participative approach and continuance of its effects overtime, due to learning through behavioral practice; this represents the behavioral process effect.
 4. Increase adaptive capacity of the organization. Development of shared norms and values may result into more effective use of inter-dependency relations among organization members, through an organizational process based on collaboration, as opposed to win-lose conflict. However, any potential benefits from greater employee involvement in decision making require that employee interest be aligned with firm's interests (Ogden, 1992;

l*
• V?

Spreitzer & Mishra,1999). Individual contingency factors which support or hinder participative decision-making have also been identified by Sashkin (1976):

1. Participative decision-making is appropriate when sets of choices are clear, individuals show desire for greater involvement, and several individuals can be given similar choice sets (that is, effort in developing choices does not render such a plan economically impractical) this would always be true when technology is low.

Methodology

In his study, the researcher’s design is a frame work of collecting and analyzing the data for a study. Research design answers the fundamental question of how the study subjects will be brought into scope of the research setting to yield the required data (Ogolo, 1996)

The two approaches to research design are the case study and the survey methods. This study will use the study method to investigate on the ingredient of competitiveness and power struggle in Nigerian politic in some local government Aiba state as a case study.

This research will be conducted in Michael Okpara University of Agriculture, Umudike. Abia State, Nigeria. Abia State is one of the 5 states in the South eastern part of Nigeria. The capital is Umuahia and the major commercial city is Abia. However, Primary data was used which were obtained from a sample drawn from the staff of the some local government in Abia state. All these were done through the distribution of questionnaire, and oral interviews with the staff of some local government. This is directed at achieving a more conclusion.

Meanwhile, the data used in this study were gathered through questionnaires. Samples of two hundred and fifty (250) questionnaires were administered under strict supervision.

The two hundred and fifty (250) people were drawn from Political appointed staff, Non - political appointed staff, and Teacher/self employed. Their response was evaluated using simple percentage as well as the quantitative tool of chi-square method. This paper made use of both null and alternative hypothesis and all hypotheses were tested at a five percent (5%) level of significance.

Notwithstanding the difficulties encountered by the researcher in getting the respondent completed questionnaires, the time spent on each respondent, the exercise was successful since the entire questionnaires were filled in and returned to the respondent.

Presentation, Analysis and/ Interpretation of Data . Analysis of Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.817	_J313	14

Source: Computed by the Authors using SPSS Statistical package version 16.

In order to ensure the reliability and consistency of the research instrument, Cronbach’s alpha statistical tool was used. The value that was derived from the Cronbach’s alpha test as shown in table 4.15 was 0. 817, for all the items in the instrument. Any instrument that it Alpha value is found below 0.7 is considered unreliable. Meanwhile, alpha value of any instrument that fails in between 0.95 to 0.8 and above is considered reliable (Field, 2013).

Distribution of Respondents

I*
•V?

S/N	No respondents	Percentage (%)
Managerial staff	50	20%
Non- managerial staff	100	40%
Academic staff	100	40%
Total	250	100%

Source: Ndubisi’s Field Survey, 2015

The above table shows that 50 respondents representing (20%) are Political appointees; 100 respondents representing 40%le 100 respondents representing 40% are career staff of the selected local government; while 100 respondents representing 40% are teachers and self employed. This shows that the respondents are capable of doing justice to all the questions in the structured questionnaires.

Respondents’ Age Distribution

Age group	No of respondents	Percentage
17-29	50	20%
30-39	100	40%
40 and above	100	40%
Total	250	100%

Source: Ndubisi’s Field Survey, 2015

Table two above shows the age distribution of respondents used in the study. It reveals that the productivity and economically viable segment of the population, that is, between 30 years to 40 years and above has the greatest percentage, (40%). The sampled age brackets are for those known to be in local government functions and activities. While the least percent of the respondents fell within the age group between 17-29 years.

I*
• V?

Table three: Respondents' Educational Qualification.

Education status	No of respondents	Percentage
Non formal	20	8%
Primary	40	16%
Post Primary	50	20%
Post Secondary	60	24%
Graduates	80	32%
Total	250	100%

Source: Ndubisi's Field Survey, 2015

Table three above shows that out of the 250 respondents, 60, 80 representing (24 % and 32% respectively) of the total respondents say that an increase need for educational attainment is seems to be better in understanding the effect of workers participation in decision making to their organization performance Michael Okpara University of Agriculture, Umudike, Abia State, Nigeria.. While 20 respondents representing 8% are non- formal education; 40 respondents representing 16% are people with primary education. This consisting of 56% respondents on educational attainment as essential for the effect of workers participation in decision making to their organization performance Michael Okpara University of Agriculture, Umudike.

Answers to Research Questions/ Testing the Hypotheses

Question 1: What is the significant effect of worker participation in the management decision making on the organization performance?

Respondent's Opinion on the concept workers participation in decision making in their organization

It was observed that out of 250 respondents, 230 representing 76.67% of the total respondents are of the opinion that concept of workers participation in decision making in their organization is regarded as a means for the workers actors to improve on the organization performance. While 20 respondents, representing 8% of the total (250) sample says that concept of workers participation in decision making in their organization should not be regarded as a means for the workers actors to improve on the organization performance.

Question 2: Is there any correlation relationship between workers participation in decision making and workers welfare?

Respondents Opinion on correlation relationship between workers participation in decision making and workers welfare

We observed that out of 250 respondents, 210 representing 84.0 % percent are of the opinion that there is correlation relationship between workers participation in decision making am workers welfare. While 40 respondents representing 16% percent of the total sample say tha there is no correlation relationship between workers participation in decision making am workers welfare.

Findings

- 1) The X^2 calculated (9.8478) was greater than X^2 Tabulated (5.991) at 0.05 or 5% level c significance.
- 2) Base on the above report, we rejected the alternative hypothesis that says that there i

l*
• V?

significant effect of worker participation in the management decision making on the organization performance and accept the null hypothesis.

- 3) There is significant effect of worker participation in the management decision making on the organization performance.

Conclusion and Recommendations

Workers Participation in Management has assumed great importance these days because it reduces industrial unrest and helps in dispelling employees' misunderstanding about the outlook of management in industry. The organization is giving utmost importance to the workers' Participation in Management. The organization has been seen to practice sound participative mechanism. There exist a healthy sign of team spirit and co-operation among the employees in the organization. The employees seem to understand and co-operate with each other in the organization. Workers Participation in Management may reduce alienation or increase personal fulfillment of workers. It also influences efficiency in various direct and indirect ways. Careful measurement and calculation are required to assess the net effect of participation upon efficiency and economic factor. Workers Participation in Management is respectable at Michael Okpara University of Agriculture, Umudike. And employees believed that they will definitely get benefit hence, participation is confined to all the members in the organization and considers them at different levels of decision making.

Workers acquiesce that committee members share the information with their colleagues after the meetings, the workers participation in management improves understanding between managers and workers and informed that joint management councils is the method of WPM which is used mostly in the organization.

References

- Bansal, P. C. (2007). Organizational Culture and Employee's Morale. *Indian Journal of Industrial Relations*, 43(2): 291-295.
- Bernstein, Paul (1982) Necessary Elements for Effective Worker Participation in Decision-making. In *Workplace Democracy and Social Change*. Frank Lindenfeld and Joyce Rothschild Whitt (eds.), 51-81. Boston, MA: Porter Sargent.
- Buchko, Aaron A. (1993) „The Effects of Employee Ownership on Employee Attitudes: An Integrated Causal Model and Path Analysis. *Journal of Management*, 30: 4, 633-657.
- Cohen, S., Chang, L, & Ledford, G. (1997) A Hierarchical Construct of Selfmanagement Leadership and its Relationship to Quality of Work Life and Perceived Work Group Effectiveness. *Personnel Psychology*, 50: 275-308.
- Cooke, W.N. (1992), “Product Quality Improvement through Employee Participation: The Effects of Unionization and Joint Union-Management Administration, *Industrial & Labor Relations Review*”, vol. 46, no.1. pp 119-134.
- Gurhan, G., Gunduz U., Kemal KILIC, & Lutfihak ALPKAN (2013). Effects of innovation types on firm performance. Tel.: +90 216 483 9503; Fax: +90 216 483 9550
gunduz@sabanciuniv.edu

l*
• V?

- Hewitt, P. (2002). High Performance Workplaces: The Role of Employee Involvement in a Modern Economy, www.berr.gov.uk/files/file26555.pdf
- Kelley, M. R., and B. Harrison. (1992). "Unions, technology and labour management co-operation", in L. Mishel and P.B. Voos (eds)
- Kingir, S., & Mesci, M. (2010) Factors that affect Hotel Employees Motivation the case of Bodrum, Serbian Journal of Management, 5(1): 59 - 76.
- Mankidy, J. (1984). "Employee Involved decision making in India: Retrospect and Prospect". Labour and Society, 3: 239-242.
- Miller, K.L., & Monge, P.R. (1986) Participation, Satisfaction, and Productivity: A Meta-analytical Review. Academy of Management Journal, 29(4): 727-753.
- Pylee, M. V. (1995). Workers Participation in Management-Myth and Reality. N.V. Publication: New Delhi.
- Rathnasen: (2009) Industrial relations, Macmillan India Limited, New Delhi. Sinha : Industrial relations, trade unions and labour legislation, Pearson Education 4th Ed.
- Sundaray, B. K. (2007). Human Resource Management, A book review. The Indian Journal of Industrial Relations, 43(2): 296-300
- Wagner, J.A. (1994) Participation's Effects on Performance and Satisfaction: A Reconsideration of the Research Evidence. Academy of Management Review, 19: 312- 330.
- Williamson, M.G. (2008) The Effects of Expanding Employee Decision Making on Contributions to Firm Value in an Informal Reward Environment. Contemporary Accounting Research, 25 (4): 1 184-1209.
- Witte, J.F. (1980) Democracy, Authority, and Alienation in Work: Workers' Participation in an American Corporation. Chicago: University of Chicago Press.