

EMPLOYEES' PARTICIPATION IN DECISION MAKING AND ORGANIZATIONAL PERFORMANCE OF RUFUS GIWA POLYTECHNIC, OWO

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ABSTRACT

The study examined the participation of employees' in decision making and its effect on the performance of Rufus Giwa Polytechnic, Owo. The study focused on the effect of employee participation in decision making on satisfaction of students' in Rufus Giwa Polytechnic, Owo. and Determine the relationship between employee participation in decision making and the growth of Rufus Giwa Polytechnic, Owo. The study used survey method and primary data was used to gather data needed. Data gathered were analyzed using regression analysis that made use of EVIEW statistical tool. The population consisted of academic staff and non-teaching staff (junior and senior). 325 staff were randomly selected and given well-structured questionnaire, out of which 250 were validly returned and used for the

Introduction:

Employee participation in decision making in today's business organization has taken different perspectives (Alsughayir, 2016; Ejere & Jarbandhan, 2019; Child, 2020). The era in which the business owners make sole decision in setting goals and objectives are past; there is now an option of allowing or engaging the employees' in decision making which tend to stimulate the organization in the ever dynamic and highly competitive environment (tertiary institutions inclusive) that the

research. The findings revealed that there is significant relationship between indirect participation and students' satisfaction. Also, it was found out that direct participation has positive effect on growth and survival of the tertiary institution. The study recommended that direct and indirect participation of employees' in decision making should be allowed so as to get expected students' satisfaction which could bring growth and survival to the institution.

Keywords: *Participation, Decision Making, Organizational Performance, Employee, Tertiary Institutions*

businesses operate (Child, 2020). The belief that you will be committed to the implementation of the decision you are involved in is not a fallacy in adopting industrial democracy (Vance 2006). The employees tend to be more committed to the decision in which they are involved than the ones that management takes on their behalf.

Employee engagement in decision making simply implies a process of allowing employees in administration and decision making which may either be directly or indirectly within the organization or outside the organization, if it is within the job description (Alsughayir, 2016; Ejere & Jarbandhan, 2019; Child, 2020). An organization that has policy of involving workers in either direct or indirect participation will always have a hedge over the one that does not allow employees in participation of its decisions. Employee involvement in direct or indirect decision making usually cause the employee to feel among and sees himself or herself as a useful and responsible worker rather than a figure-head. The involvement of employee in the decision making has tendency of improving and sustaining productivity and to ensue industrial peace considering common conflicting interests that organizations usually encounter (Chukwuemeka, 2020).

The employee participation in decision making enable employers to overcome potential obstacles to employees' commitment to set objectives, create alternative cause of action to issues as a result of brainstorming

among the workers and the Management and ultimately preserving the organization all the time (Uma, 2015).

Objectives of the Study

Specifically, the research study's objectives were to:

- i. Examine the effect of employee participation in decision making on satisfaction of students' in Rufus Giwa Polytechnic, Owo.
- ii. Determine the relationship between employee participation in decision making and the growth of Rufus Giwa Polytechnic, Owo.

Hypotheses of the Study

H₀: There is no significant relationship between employees participation in decision making and satisfaction of students' in Rufus Giwa Polytechnic, Owo.

H₁: There is significant relationship between employees' participation in decision making and satisfaction of students' in Rufus Giwa Polytechnic, Owo.

H₀: Employees' participation does not have significant effect on the growth of Rufus Giwa Polytechnic, Owo.

H₂: Employees' participation does have significant effect on the growth of Rufus Giwa Polytechnic, Owo.

Literature review

Employee Participation

Employee involvement implies the engagement of workers in making decision that could be of value to the accomplishment of the task given at a particular point in time. It also involves deliberation on the operation processes and checking actual outcome against the standard. According to Beardwell and Claydon (2007), employees' involvement is defined as the looking away from the bureaucracy of allowing only members of management staff to make decision into the flexibility of integrating employees in the decision that are having influence over the activities of the unit in which they belong to (Busck et. al., 2010; Owor, (2016).

Actually the engagement of employee in decision making is generally known to satisfy ethical/moral, political, social and economic objectives of those employees' (Venter, 2003; Owor, 2016; Uma, 2015).

Employee participation can result in an improved performance of output and increased quality of products owing to greater personal effort and attention on the part of employee (Massarik & Tannenbaum, 1999; Uma, 2015). In the case of the institution understudied, employee participation will result to the delivery of quality services to the student and this will improve the number of graduate (product).

Concept of Organizational Performance

The importance of performance to the business growth and survival is central. This has made performance of an organization to be a controversial issue in management domain. It is seen as a key indicator of performance management. Hence, performance therefore entails accomplishment of the assignment earmarked for a particular worker as at a point in time (Cascio, 2006).

According to Richard, Devinney, George and Johnson (2009) consider performance on diverse dimensions such as company's aggregate outcome, monetary performance and market performance. Organizational performance does not only implies the overall output from the input but it also typifies how a problem is well analyzed and tackled so as to bring solution which can be inform of output or final product (Hefferman and Flood 2000). Daft (2000) says that organizational performance entails ability of the workers in an organization to work diligently towards the attainment of the set goals bearing it in mind that resource utilization is very important in accomplishing those goals. Richardo and Wade (2001); Bashaer, Singh & Sherine (2016), also supported the view of Daft (2000) that accomplishment of organizational goals and objectives could be used to measure business performance.

Lebens and Euske (2006) provide a set of descriptions to illustrate the performance of any business organization:

- The indicators of performance could be either monetary or non-monetary as the case may be;
- The differences between the standard and actual result of performance could be used to determine the performance;
- As a result of dynamism of the business environment. Performance can be relatively varied over a period of time;
- The perception of the performance evaluators at times could affect the rating of performance;
- Ability to evaluate result could be of help in reporting the accuracy of performance in an organization.

Empirical Review

Owolabi and Abdul-Hameed, (2011) the interplay of employee participation and decision making and business performance in the manufacturing sector in Nigeria. Questionnaire was used to gather data from 670 staff; descriptive statistics, product moment correlation, regression analysis and Z-test were used to present the gathered data. The outcome of the study indicates a statistically significant relationship between employee participation in decision making and business performance. The study recommends that manufacturing firms should be committed to employee involvement in making one decision or the other so as to accomplish the set objectives (Vance 2006).

Nachiket, (2014), investigated on participation of workers in management decision making in Indian work environment. The study made use of survey 217 among non-management employees from two work organizations in Uttar Pradesh (Flour Mills and Sugar Mills) were on used as subject. Interviewed was used to gather data for the study. Percentage distribution and Chi -Square were used to analysed the data collected. The outcome of the study revealed that the calibre of the staff interviewed had interest in participating in the decision making process within their respective workplaces. However, the actual level of employee participation in management decision making by the workers interviewed was relatively low. At Flour mills, the employee interviewed has high level of education.

This shown that there is high relationship between education and employee involvement. At Sugar Mills, age has significant relationship on employee involvement in decision making, frequency of employees' consultation and organizational commitment. The study recommends that the non-management in the Indian work environment should be allowed to exercise greater involvement in decision making process (Ugwu, Okoriji & Chukwu 2019; Odero & Makori, 2017).

Source: Researcher's Conceptual Thinking

Methodology

A total number of three hundred and twenty five (325) respondents were selected for the study only 250 out of the 325 questionnaires were valid. Random sampling technique was used in drawing the samples. Data were generated from primary source. The data were obtained from respondents from different cadre which comprised of Academic, Non-Teaching Senior and Non-Teaching Junior. The research instrument used was questionnaire. Data collected were analyzed using regression analysis and EVIEW statistical tool, which generated means, standard deviation, t-statistics and Durbin Watson Statistics. The hypothesis of this research was tested at 5% level of significance.

Analysis and Findings

Test of Hypotheses

The hypotheses earlier formulated for this study were tested in this section with the aid of Ordinary Least Square. The Ordinary Least Square was considered due to the fact that it gave the best linear unbiased estimate for the parameters of the study.

Test of Hypothesis One

H₀: There is no significant relationship between employees' participation and students' satisfaction in Rufus Giwa Polytechnic, Owo.

Table 4.1 Ordinary Least computed for the Null Hypothesis One

Dependent Variable: CUS

Method: Least Squares				
Date: 07/04/19 Time: 01:16				
Sample: 250				
Included observations: 50				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
INDPAR	0.429401	0.130851	3.281596	0.0019
C	27.58993	8.652867	3.188531	0.0025
R-squared	0.883241	Mean dependent var		49.06000
Adjusted R-squared	0.876225	S.D. dependent var		43.85198
S.E. of regression	40.04180	Akaike info criterion		10.25690
Sum squared resid	76960.59	Schwarz criterion		10.33338
Log likelihood	-254.4226	Hannan-Quinn criter.		10.28603
F-statistic	10.76887	Durbin-Watson stat		1.700127
Prob(F-statistic)	0.001928			

Source: Researcher's computation, 2019

Table 4.1 presented the results of the Ordinary Least computed for the null hypothesis one. From the table, it was found that the p-value of the t-statistics computed for indirect participation of 0.0019 was less than the critical value of 5%. This indicated that the null hypothesis which stated that participation of employee in decision making has no significance effect on students' satisfaction is rejected. Indirect involvement of employee in decision making relating to employee complaints, policies and procedures might help in putting the right thing in place for the satisfaction of both the staff and students' of the institution. With the right involvement of employee in decision making process indirectly, the management of the institution might give ear to employee complaints on procedures and policy that discouraged students' plight and satisfaction. The regression coefficient obtained for this test item of 0.43 revealed that there was a positive relationship between participation of employee in decision making and students' satisfaction. The implication of this was that there was a direct relationship between participation of employee in decision making and students' satisfaction and hence, a 1% increase in participation

of employee in decision making might result in approximately 43% improvement in students' satisfaction.

Also, the P-value of the F-statistics calculated to test the joint significance of the null hypothesis of 0.001928 was less than the critical value of 5% with significance F-statistics of value of 10.77. This revealed that the joint null hypothesis which stated that there was no significance relationship between employees' participation and students' satisfaction was rejected. In fact, the coefficient of determination obtained of 0.8832 indicated that 88.32% of students' satisfaction in the institution was due to participation of employee in decision making. It will be saved to infer that participation of employee in decision making was a good predictor for students' satisfaction.

The Durbin Watson statistics computed for the test item of 1.700127 showed that the test variables were free from auto correlation, hence, there was need to ascertain the direction of causality relationship between participation and students' satisfaction.

Table 4.2 Granger Causality Test for testing the direction of causality between indirect participation and students' satisfaction

Pairwise Granger Causality Tests			
Date: 07/04/19 Time: 01:18			
Sample: 250			
Lags: 2			
Null Hypothesis:	Obs	F-Statistic	Prob.
INDPAR does not Granger Cause CUS	250	15.74716	0.0008
CUS does not Granger Cause INDPAR		0.12663	0.8814

Source: Researcher's computation, 2019

Table 4.2 presented the result of causality test between participation of employee in decision making and students' satisfaction. Looking at the result from the table, it might be inferred that participation of employee in decision making did Granger cause students' satisfaction and not otherwise. This assertion was premised on the fact that the p-value of the

F-statistics computed for the test item of 0.0008 was less than the critical value of 5% and hence, it will be saved to assert that there was a directional relationship between employees' participation in decision making and students' satisfaction.

Test of Hypothesis Two

H₂: Employees' participation does not have significant effect on the growth of Rufus Giwa Polytechnic, Owo.

Table 4.3 Ordinary Least Square Result Computed for the Null Hypothesis Two

Dependent Variable: GRSUR				
Method: Least Squares				
Date: 07/04/19 Time: 01:20				
Sample: 250				
Included observations: 50				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
DPART	0.618825	0.144760	4.274847	0.0001
C	19.05876	9.572580	1.990974	0.0522
R-squared	0.975738	Mean dependent var		50.00000
Adjusted R-squared	0.960649	S.D. dependent var		51.51778
S.E. of regression	44.29784	Akaike info criterion		10.45893
Sum squared resid	94190.34	Schwarz criterion		10.53541
Log likelihood	-259.4732	Hannan-Quinn criter.		10.48805
F-statistic	18.27432	Durbin-Watson stat		1.647242
Prob(F-statistic)	0.000090			

Source: Researcher's computation, 2019

Table 4.3 presented the results of the Ordinary Least Square computed for the null hypothesis two. Looking at the result, the p-value of the t-statistics computed for employees' participation of 0.0001 was less than the critical value of 5%. This implied that the null hypothesis which stated that direct participation was not significance to growth should be rejected. It was

reasonable to infer that employees' participation was significant on growth of the institution.

The extent of growth of an institution depended on the level of involvement of employee in decision making process. Employee must be allowed to make their own decision as pertaining to task assigned to them. Giving employees free hand to operate without compromising, rules and regulation including the internal control system of the organization might enhance the contribution of the employee to the growth and survival of their organizations. The regression coefficient computed for this test variable was 0.62 which indicated an existence of a positive relationship between participation of employees' in decision making and growth of the institution. The importance of this was that a 1% increase in direct involvement of employee in decision making might lead to around 62% improvement in the growth of the institution.

The result in the table indicated further that the p-value of the F-statistics calculated for the test item of 0.000099 was less than the critical value of 5%. This showed that the null hypothesis which stated that employees' participation did not influence growth should be rejected. It was concluded that growth depends on employees' participation. In fact, the coefficient of determination obtained for the test item of 0.9757 confirmed that 97.57% of growth in the institution was as a result of participation of employee in decision making process.

The Durbin-Watson statistics obtained for this test of 1.6472 indicated that the test variables were free from serial correlation.

Conclusion and Recommendations

This study concluded that employees' participation in decision making in the Polytechnic have significant influence on the students' satisfaction. The study also showed that employees' participation in decision making have effect on the growth of the Polytechnic.

The study recommended that participation of employees' in decision making should be allowed so as to get expected students' satisfaction which could bring growth and survival to the institution.

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