Participative Management Styles and Its Influence on Organizational Change

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Abstract

This article aims to deal with the influence of a participatory management techniques along with a moderately change process, specifically in seeking to analyze the effect of participative management techniques on resistance to change and its effects on improved performance.

Keywords: participative management techniques, participative management impact, participative management practice, participative management barriers.

Introduction

Participatory management techniques are the practices of empowering members of a group, such as employees of a company or citizens of a community, to participate in organizational decision making. It is used as an alternative to traditional vertical management structures, which has shown to be less effective as participants are growing less interested in their leader's expectations due to a lack of recognition of the participant's effort or opinion.

Literature Review

The participatory management techniques are for systematically sharing authority emphasize concerns with the delegation of decision making authority to employees. There are certain institutions that successfully participate in organizational structures specific to hierarchical management models, thereby configuring power distribution, authority, communication and
decision making. There are following styles to implement participatory management techniques.

**Participatory Management Styles**

**Information Management**

One style of participatory management is creation of a workplace environment in which information is shared readily with employees. This includes financial projections, earnings and operational budgets as well as information related to long-term strategic planning. This approach provides transparency in all aspects of business and allows for employee comment, input and suggestions.

**Mentoring and Training Management**

A participatory managed work environment provides ongoing training, skills development, professional enrichment and mentoring to employees at all levels. Employees regularly take on new or additional responsibilities, cross-train in different areas of business and give their newfound skills a hands-on try under the supervision of a mentor. Employees are encouraged to share knowledge and information with the goal being a diversely trained, well-rounded workforce that takes advantage of each employee’s most notable skills.

**Recognition Management**

Another form of participatory management includes a forum in which employees are recognized regularly for their achievements and contributions. The reward approach is designed to increase performance, motivate employees and provide positive reinforcement for a job well done. Employees also have the opportunity to see how their contributions directly affect the company in a positive manner.

**Teaching Management**

Participatory management often features a teaching component in which employees are guided on the fundamentals of the decision-making process. Employees receive insight into a particular problem, issue or strategy and the cognitive tools necessary for breaking down the issue into problem-solving components. Using this management style, employees continually
enhance their knowledge of how the company operates and are able to bring ever-improving skills to the workplace.

**Shared Decision-Making Management**

All forms of participatory management include a form of shared decision-making, but this particular style goes even deeper. Under shared decision-making management, employees participate in focus group, complete surveys, participate in brainstorming sessions and often work in self-monitored groups on specific tasks and projects. Management typically provides parameters for employees to work within and to contribute suggestions and ideas, and many also feature a formal review process to ensure every idea is weighed and vetted carefully.

**Shifting to Employee participation**

Employee empowerment or participative decision making is neither a new or simple management concept". Employee participation is a complex management tool which can be effective in improving performance, productivity and job satisfaction when applied properly (Nykodym et al. 2008). With increasing globalization, industry is under intense pressure to produce high quality, specialized 'high-tech' products and services, all of which require a flexible and highly trained workforce. One of the intent of participation is developing cooperative and strong workforce. (Howcroft and Wilson 2003) Employee participation can be interpreted in three distinct ways.It can be seen as ‘industrial democracy’. Secondly it may signify as ‘subordinate employees involvement’ more in one or more aspects of organizational decision making. Thirdly, it may also demonstrate a specific evolutionary development to promote greater employee influence within the organization.

**Participative management dimensions**

Considering the above mentioned case we also found participatory management has an influence on many objects which are participatory management dimensions. These are following;

1. Team work,
2. Share power,
3. Motivation,
4. Communication,
5. Involvement,
6. Collaboration
7. Democracy which is a benefit of participatory management,
8. Transparency,
9. Innovation,
10. Respect,
11. Problem solving,
12. Identify common goal,
13. Equalitarian

**Degree of participation**

In participatory management levels of control by employees over their works three paradigms of participative management are defined, industrial democracy, employee participation and employee involvement (Anon 1997). There is a continuum specifies the degree of involvement in decisions making. Decisions are made unilaterally by the manager with no involvement of other employees at one extreme and at the opposite extreme; employees are empowered to decide definite matters. The degree of employee's participation in decision making is different. Here described four kinds of decision making in organizations as follows:

1. Autocratic decision making: the superior makes the decision on his or her own without attaining information from his or her subordinates.

2. "Information sharing: The superior obtains the necessary information from the subordinate and then makes the decision on his or her own.

3. Consultative decision making: The superior shares the problem with the subordinate, getting his or her ideas and suggestions. Then he or she makes a decision.

4. Democratic decision making: The superior shares the problem with the subordinate, and together they analyze the problem and arrive at a mutually acceptable solution."
Structure of Participatory Management

Participatory management can have formal or informal structure. Some evidence propose that formal structures lead to higher degrees of participation than informal structures.

Considering all the dimensions, participative management can be classified into six types: 1) participation in work decisions; 2) consultative participation; 3) short-term participation; 4) informal participation; 5) employee ownership; and 6) representative participation.

The effect of participative management has two dimensions: "tangible means productivity, quality of product, turnover rate, absenteeism rate and labour-management dispute rate and intangible includes work morale, organizational climate, employee motivation and job satisfaction" (Anon 1997)

Some of the positive effects of participative management are as followed:

- Increasing the degree of "we" feeling or cohesiveness in the organization;
- Providing the participants with an overall organizational point of view
- Decreasing the amount of conflict, hostility, and cutthroat competition among the participants;
- Increasing the individuals' understanding of each other which leads to increased tolerance and patience toward others;
- Increasing the individual's free expression of his personality
- Developing more innovative and creative work climate (Press 2010).

Barriers to Participative Management

Participative management is often accompanied by conflict and struggle (Yohe 2008). The major barriers to implement participative management processes are as follows:

1. Organizational bureaucracy and structure that focuses on uniformity, consistency, and control from the top.
2. A culture that does not include participative management as a value or norm.
3. Subordinates that lack the desire or knowledge and thus, don't feel competent to participate in decision-making.
4. Increase in workload and job stress.
5. Lack of incentives for participation.

6. Fear of making incorrect decisions.

7. Conflicting managerial priorities.

8. Poor or lack of communication.

**Findings**

The studied data above demonstrate one of the major concerns in finding are to put forward the techniques of participatory management by the need for massive change is that of high monetary and resource costs. For this motive, organization often attempt to only partially implement participatory management or do so in stages. During this process the concept fails to be completely respected by leaders and participants and thus fails, and is often reversed before it is ever able to be properly implemented. This specifies that the change required for true participatory management may be too much for larger organizations.

**Research limitations**

Some of the limitations seen in the participatory management concept is the potential for poor quality participation. Especially when implemented for large scale use, such as with the citizens of a city, it has been shown that if participants are not fully aware of their ability to participate or if they are not properly informed by leaders on what feedback they are expected to provide, there will be either minimal or passive participation.

As a combination of criticisms, an overall result of failure in participatory management is misrepresentation of participants.

**Conclusion**

- The development of institutions around monitoring and enforcement by using participatory management techniques.
- Widespread adoption of participatory management measures by using collective efforts in betterment of organization.
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