

# Employee Relationship and Participation in an Organizational Decision Making Process

Dr. Fabian Andrew James<sup>1</sup> and Dr.D.Helen<sup>2</sup>  
<sup>1,2</sup>(Assistant Professor, AMET University, Chennai, India)

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## ABSTRACT

*The purpose of the study is to find whether employee's participation in decision making leads to better employer-employee relationship. The study finds the employee involvement in organization decision making and whether employee contribution leads to offer a better relationship with co-workers. The aim of the study is to discover whether there is any correlation between employee contribution in job security and decision making. The study uses multiple regressions to find the prediction of employee participation in decision making, relationship between co-workers, job security and employer-employee relationship. The result shows that employee involvement in decision making significantly predicts relationship with co-workers, job security and employer-employee relationship. The study provides the industry facts that show the importance of a better relationship between co-workers and more importantly employer-employee relationship. The study is useful for the industry to understand that all employees are part of the organization and giving freedom for them to participate in decision making improves their confidence.*

**Keywords:** *employer-employee relationship, decision making, job security, employee participation, confidence.*

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## 1. INTRODUCTION

Nowadays organizations are facing a number of competitive challenges, to solve this firm has to incorporate Human Resources to achieve a new business process (Brinsfield, 2014). The organization can gain a benefit from collaborating managers and employees for administrative effectiveness (Komal, K.B et al.,2011). A recent research study in Indonesia has specified that many firms do not allocate any importance to the individual employees' obligation as a part of the strategy to improve the organizational effectiveness and

competitiveness (Yuliani, Prihanto et al., 2003 and R. M. Ojokuku, et al.,2014). Employee involvement in an organization improves the scope of the employees' to exchange the influence in the decision making process at various tiers of organizational hierarchy with the associated hypothesis of the responsibility. Decision making includes the planning of the consequences of a decision and to select the fine program to execute the plan. In the decision making course,the decision maker task is directed by organizational ambition. Employee participation in decision making, reduced staff absenteeism, better organizational commitment, increased performance and better job satisfaction (Luthans, F. 2005, Moorhead and GrifCin, 2004). The involvement in the decisionmaking is significant for the employee and, along with job satisfaction and the organization's commitment (Ladd and Marshall, 2004). The employee contribution in decision making provides a greater relationship between co-workers and job security.

## **2. REVIEW OF LITERATURE**

Employee involvement in decision making is called Participative Decision Making (PDM), which is applied in the shared decision making process in various working condition. Generally, the PDM is considered as a vital component to improve the job satisfaction in the organization (Kim et al., 2010, Chiang and Chang, 2011). Employee involvement has been recognized as a organization solution to improve the employee's fulfillment (Ojokuku and Sajuyigbe 2014). There are various parameters define the relationship among the employees' involvement in decision making, such as organizational structure,well-defined teamwork and effective communication between employees (Nwokoandmerole, 2017). Participating in organization activities practice to balance the association of managers and their assistants in decision making, information preprocessing and problem solving actions (Wood, 2010).Employee contribution in decision making improves the employee involvement, job fulfilment and organizational obligation.

To achieve the organizational objectives, employee participation is necessary to take the right decision at the right time (Ravenswood.K, 2011). Hence, it is a tedious job to bring the employees to include in the organizational decision making process at the right time (Ladd & Marshall, 2004). The employee contribution plays a major role to successfully implement a novel management plan and also determine the employee's job satisfaction

(Zainnudin& Isa, 2011). Employee involvement in the decision making enhances the organization performance (Bhuiyan, Md.A.H, 2010).

In an organization employee-employee relationship is vital for various reasons. The reasons are: 1) consumer services are increased due to good relationship between employees, 2) employees are encouraged to yield better and more outcomes, 3) employees developed their skills to drive better in the organization (Burns, 2012). In the employ relationship, the worker has rights to regulate the work performance, generate a mutual trust in the work environment, and combine the employees in the management scheme and organization culture.

Shlomo Mizrahi (2002) found that PDM shall ahead in employers, employees co-determination rights and improves the employee's job security.

### **3. OBJECTIVES OF THE STUDY**

1. To study the employees participation in management decision making.
2. To study the association between employee participation in the decision making and better relationship between the co-workers.
3. To study the association between employee participation in the decision making and job security
4. To study the relationship among employee participation in decision making and employer-employee relationship.

### **4. RESEARCH DESIGN**

The research design is descriptive in nature. Descriptive study provides a detail investigation with adequate inference. It is the modest type of research. Data are gathered by using various methods such as: 1) observation, 2) mail questio 3) interviewing. The research used questionnaire method and data was collected from the employees of Intelenet Global Services, Ambattur.

Research design is very helpful to construct a questionnaire. The descriptive study describes the state if it exists in the current situation.

## 5. SAMPLING TECHNIQUE

The population of Intelenet Global services, Ambattur is 256. A probability sampling technique using simple random sampling method was used for the study. Simple random sampling method was used since the population is known.

### Hypothesis

H<sub>1</sub>: Employee's participation in decision making predicts better relationship with co-workers.

H<sub>2</sub>: Employee's participation in decision-making predicts Job Security.

H<sub>3</sub>: Employee's participation in decision-making predicts good employer employee relationship.

## 6. ANALYSIS AND INTERPRETATION

H1: Employee participation in decision making predicts better relationship with co-workers.

**Table I**

Model				
Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	.550	.302	.288	1.65555
a. Predictors: Employee Participation in Management Decision Making				

The above table 1 shows the linear regression analysis among the predictor variable employee participation in management decision-making and the dependent variable better relationship with co-workers. The model summary shows the overall fit statistics. The R<sup>2</sup> in the model is 0.302, which means that the linear regression explains and predicts 30.2% of the variance for the given data. The test shows R value as .550 which is adequate enough to show the linear association between employee involvement in decision making and better relationship with co-workers.

**Table II**

ANOVA						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	57.019	1	57.019	20.804	.000 <sup>b</sup>
	Residual	131.561	48	2.741		

Total	188.580	49			
a. Dependent Variable: Better Relationship with Co-Workers					
b. Predictors: (Constant), Employee Participation in Management Decision Making					

The above Table 2 gives the F-test statistics, The F Value is 20.804 showing a linear association between the employee involvement in organization Decision Making and Better Relationship with Co-workers. The p-value is 0.000 which is significant and thus showing that the R model significantly predicts Better relationship with co-workers from employee participation in management decision making.

**Table III**

Coefficient						
Model		Un-standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.755	.913		5.209	.000
	Employee Participation in Management Decision Making	.386	.085	.550	4.561	.000
a. Dependent Variable: Better Relationship with Co-Workers						

The above table3 shows the significance of all the coefficients and intercept in this model as the p value is <0.05 and the t value is 4.561. The model expresses the relative importance of Better relationship with co-workers on employee involvement in the management decision making *The Simple Linear Regression Analysis thus accepts the alternate hypothesis  $H_1$  and rejects the null hypothesis.*

H2: Employee participation in decision making predicts Job Security.

**Table IV**

Model				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.507 <sup>a</sup>	.257	.242	1.29306
a. Predictors: Employee Participation in Management Decision Making				

The above table 4 shows the linear regression analysis between the predictor variable employee involvement in management decision-making and the dependent variable better Job security. The model summary shows the overall fit statistics. The  $R^2$  in the model is 0.242, which means that the linear regression explains and predicts 24.2% of the variance for the given data. The test shows R value as .507 which is adequate enough to show the linear relationship among Employee Participation in Management Decision Making and Job Security.

**Table V**

ANOVA						
Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	27.824	1	27.824	16.641	.000 <sup>b</sup>
	Residual	80.256	48	1.672		
	Total	108.080	49			
a. Dependent Variable: Job Security						
b. Predictors: (Constant), Employee Participation in Management Decision Making						

The above Table 5 gives the F-test statistics, The F Value is 16.641 showing a linear relationship between the Employee participation in Management Decision Making and Job Security. The p-value is 0.000 which is significant and thus showing that the R model

significantly predicts Job security from employee participation in management decision making.

**Table VI**

Coefficient						
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig	
	B	Std Error	Beta			
1	(Constant)	4.468	.713		6.267	.000
	Employee Participation in Management Decision Making	.270	.066	.507	4.079	.000
a. Dependent Variable: Job Security						

The above table shows the significance of all the coefficients and intercept in this model as the p value is <0.05 and the t value is 4.079. The model expresses the relative importance of Job security with co-workers on employee’s participation in management decision-making. ***The Simple Linear Regression Analysis thus accepts the alternate hypothesis H<sub>2</sub> and rejects the null hypothesis.***

H3: Employee participation in decision making predicts good employer-employee relationship.

**Table VII**

Model				
Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	.581	.338	.324	1.63597
a. Predictors: Employee Participation in Management Decision Making				

The above table 7 shows the linear regression analysis between the predictor variable employee participation in management decision-making and the dependent variable employer-employee relationship. The model summary shows the overall fit statistics. The R<sup>2</sup>

in the model is 0.338, which means that the linear regression explains and predicts 33.8% of the variance for the given data. The test shows R value as .581 which is adequate enough to show the linear relationship among Employee's Involvement in Management Decision-Making and good employer employee relationship.

**Table VIII**

ANOVA						
Model	Sum of Squares	df	Mean Square	F	Sig	
1	Regression	65.452	1	65.452	24.455	.000 <sup>b</sup>
	Residual	128.468	48	2.676		
	Total	193.920	49			
a. Dependent Variable: Employer-Employee Relationship						
b. Predictors: (Constant), Employee Participation in Management Decision Making						

The above Table 8 gives the F-test statistics, The F Value is 24.455 showing a linear relationship between the Employee's participation in Management Decision-Making and good employer-employee relationship. The p-value is 0.000 which is significant and thus showing that the R model significantly predicts Job security from employee participation in management decision making.

**Table IX**

Coefficient						
Model		Un-standardized Coefficients		Standardized Coefficients	t	Sig
		B	Std Error	Beta		
1	(Constant)	5.728	.902		6.349	.000
	Employee Participation in Management Decision Making	.414	.084	.581	4.945	.000
a. Dependent Variable: Employer-Employee Relationship						

The above table shows the significance of all the coefficients and intercept in this model as the p value is  $<0.05$  and the t value is 4.945. The model expresses the relative importance of good employer- employee relationship on employee's participation in management decision-making. *The Simple Linear Regression Analysis thus accepts the alternate hypothesis  $H_3$  and rejects the null hypothesis.*

## 7. SUGGESTIONS

- Most of the respondents need modification in workers participation in management. The organization has to implement a new methods for hiring and to improve the time expended for choosing the right employees.
- Training must be given to the newly appointed candidates to explain the company policies.
- The company can take more actions to improve the workers participation in management.
- The organization should use the video conferencing for their candidates in the future to reduce their time.
- Organization can use the web to large extent to make simpler, faster, cheaper and effective.
- The workers participation procedure should not to long and time consuming process.
- The workers participation can be modified based on different grade levels due to this they can avoid unnecessary time taken for candidate waiting for experienced person.
- Time management is important and it would not be ignored at any level of the process.

## 8. CONCLUSION

The conclusion is drawn from the study and survey of the company regarding the workers participation in management carried out there. A study on the workers participation in management conducted in Intelenet Global Services LTD has brought out various information about the company's workers participation in management procedure. Using this survey the research could identify the workers module conducted in the organization, various factors considered for the workers participation in management and the satisfaction levels of the employee towards workers.

Selection procedure is fine, hence it should to be changed based on the participation. Further from the survey the organization will be use the suggestions to increase its functions and workers participation in the organization to achieve their goal.

This study would surely help the organization to provide with itself the opportunities for improving the flexibilities or the better changes in the process that it follow and acts as the ultimate success of the study that has been made.

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