

# Participative Decision Making and Job Satisfaction: A Case Study of Shri N.K. Food Industry

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## ABSTRACT

*In today's turbulent environment and intense competition, firms are forced to seek ways to be more flexible, adaptive and competitive as they are faced with competitive pressures and rapidly changing markets. Managers are encouraged to allow a high degree of employee participation and autonomy, which are intended to increase workforce commitment and with the intention of improving work performance and good citizenship behaviour. In order to keep workers commitment, loyalty towards organisation and better organisational performance, managers transform their authoritative style of leadership to participative style. In this paper, we have thoroughly analysed the case study of Shri N.K. food Industry by using various statistical technique and studied the involvement of employees in participative decision making.*

## 1. Introduction

Employee involvement is one of the key factors of organisational life to achieve increased organisational effectiveness and employee's satisfaction. PDM is defined as a process in which managers allow or encourage their lower or middle level employees in decision making of the organisation. PDM motivates employees to work harder and significant boost the employees' productivity.

**Decision Making** - Decision making is the process of making choices by identifying a decision, gathering information and assessing alternative resolutions. The decision maker will choose one of the alternatives on the basis of his/her evaluation.

## 2. Employee participation in decision making –

It refers to the direct participation of individuals in decision making to their immediate work organisations. The basic concept involves any power-sharing arrangements in which workplace influence is shared among individuals who are otherwise hierarchical unequal. Such power sharing arrangements may entail various employee involvement schemes resulting in co-ordination of working conditions, problem solving, and decision making.

**Job Satisfaction**- Job satisfaction means to what extent the employee derives satisfaction from his job. It is a feeling of pleasure and achievement in the job when employee knows that his work is worth doing.

## 3. Review of literature

The present literature review is used to briefly summarize the past researches' studies. **Elizabeth F. Cabrera, Jaime Ortega, Angel Cabrera (2003)**, in their study they have identifies various determinants of direct employee participation in organisations across Europe. The factors generally expected to affect level of participation include competition, sector, the pursuit of differentiation strategy based on either quality or

service and indirect participation. Two additional factors are: consultation and delegation. **Florence K. Muindi (2011)**, indicated in their paper "**The Relationship between Participation in Decision Making and Job Satisfaction among Academic Staff in the School of Business, University of Nairobi**", Level of satisfaction with job characteristics was found to be largely influenced by the level of employees' participation in decision making. The study showed that monetary rewards were not as important as job autonomy. The hypothetical basis of the study was ascertained by confirming that employee participation in decision making increases intrinsic and extrinsic job satisfaction. **Ting Kee Siong (April 2012)**, the researcher states that Higher PDM level can positively drive both employees' job satisfaction and organization commitment in Malaysia' both manufacturing or servicing industry. Based on the testing, variables that make influence to the employees' PDM are their age range and education qualifications. It is concluded older employees and higher educated employees tend to give higher PDM level in their work places.

## 4. Research Objectives

1. To know about the involvement of employees in decision making at Shri N.K. food industry.
2. To establish the extent to which participation in decision making affects the level of job satisfaction of Shri N.K. food industry.
3. To find out different ways of introducing effective employee participation programme in an organisation.

## 5. Research hypothesis –

### Hypothesis 1

H<sub>0</sub> – there is no significant difference regarding participation in decision making with respect to level of managers.

### Hypothesis 2

H<sub>0</sub>- there is no significant difference between work relationships with respect to level of managers.

**Hypothesis 3**

H<sub>0</sub>- there is no relation between involvement of employees and participation decision making.

**6. Sample size**

The sample size of this study is 30 respondents.

**7. Sources of data**

In this study primary data was collected through personal interview by using questionnaire. The questionnaire was filled from 30 employees of Shri N.K. food industry. The secondary data was collected from books, websites, research reports, journals and unpublished thesis.

**8. Tools of the study**

In this study, authors used Likert scale for analyzing the data, t- test and chi square test was used to test the goodness of fit.

**9. Limitation of the study**

1. This is subjected and prejudices of the respondents, hence 100% accuracy cannot be assured.
2. The research was carried out in a short span of time, where in the research could not widen the study.
3. The findings are based on the answers given by the employees, so any error or bias may be affect the validity of findings

**10. Data analysis and interpretation**

TABLE 1 Factors influencing Participative decision making

Hypothesis 1 H<sub>0</sub> – let us take null hypothesis that there is no significant difference regarding participation in decision making with respect to level of managers.

Level of satisfaction with work relationship	X1	X2
My managers are cooperative in solving problems.	2.53	1.73
My managers listen to my problems carefully.	2.53	1.8
My relationship with co-workers is good	2.2	1.87
My relationship with managers is good.	2.47	1.73

X<sub>1</sub> = middle level managers, X<sub>2</sub> = lower level managers

**Applying t-test-**

t= 3.13,

d.f. = v= 8+8-2=14

For v=14, t<sub>0.05</sub> for two tailed test, TABLE VALUE = 2.145.

Since, the calculated value of *t* is more than the table value; we Reject the null hypothesis and conclude that there is a significant different in participation of employees in decision making. And hence, there are no factors that influence the participation in decision making by middle and low level employees.

**Table 2 Level of satisfaction with work relationship**

**Hypothesis 2 H<sub>0</sub>**- let us take null hypothesis that there is no significant difference between work relationships with respect to level of managers

Involvement of employees in decision making	Lower level employees	Middle level employees	Row total
Yes	3	6	9
No	12	9	21
<b>Column total</b>	<b>15</b>	<b>15</b>	<b>30</b>

X<sub>1</sub> =middle level managers, X<sub>2</sub> = lower level managers

t= 7.66, degree of freedom =v= 4+4-2=6

For v=6, t<sub>0.05</sub> for two tailed test, table value = 2.447

Since, the calculated value of *t* is more than the table value; we Reject the null hypothesis and conclude that there is a significant difference between work relationships with respect to level of managers. And hence it shows poor coordination among employees.

**Table 3 Involvement of employees in decision making**

**Hypothesis 3** H<sub>0</sub>- there is no relation between involvement of employees and participation decision making

Cells	O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
Involvement of lower level employees in decision making	3	4.5	-1.5	2.25	0.5
No Involvement of lower level employees in decision making	12	10.5	1.5	2.25	0.21
Involvement of middle level employees in decision making	6	4.5	1.5	2.25	0.5
No Involvement of middle level employees in decision making	9	10.5	-1.5	2.25	0.21
<b>Total</b>					<b>1.42</b>

$\chi^2 = 1.42$ , d.f.= (2-1)(2-1)= 1

at d.f. =1,  $\chi^2_{0.05} = 3.84$

Since, calculated  $\chi^2$  value is higher than the table value, therefore hypothesis is accepted. Hence, involvement of employees and participative decision making by lower and upper level employees are independent.

**11. Findings**

- The findings of this study indicate that there is no significant relationship between employee involvement and participative decision making.
- There is no good relationship among different level of employees.
- Most of the employees are not satisfied with the policies regarding PDM.
- No factors of participative decision making influence the employee involvement.

- There is no job satisfaction among the employees of Shri N.K. food Industry.

- Regular meetings should also be held to solicit the views of all employees to make them feel part of the organization.

## 12. Suggestions-

- On the basis of the findings from the study, it is recommended that employees must be made to participate in decision-making so as to get maximum job satisfaction.
- Relationship between supervisor and employees should be good to enhance easy consultation and free flow of information in an organization.

## 13. Conclusions-

The concern of this study was relates to participative decision making and job satisfaction at Shri N.K. food industry. As a result, there is low involvement of different levels of employees in decision making, which leads to low job satisfaction. If the organization will enhance the participation of their employees in decision making, then it may lead to organisation commitment, pool of ideas, loyalty, citizenship and trust towards the organization.

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