THE RELATIONSHIP BETWEEN PARTICIPATORY MANAGEMENT AND ORGANIZATIONAL PERFORMANCE

CASE STUDY: ACE GLOBAL LIMITED

BY: MUHWEZI MATHIAS

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A RESEARCH DISSERTATION PRESENTED TO FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A BACHELORS DEGREE IN BUSINESS ADMINISTRATION AND MANAGEMENT UGANDA MARTRYS UNIVERSITY.

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DEDICATION

This dissertation is dedicated to my beloved parents Mr. Muhwezi Nkuba Peter (RIP) and Mrs. Tusiime Mary Theodore whose parental love and care has made me what I am today. It was through them that the Almighty chose to bring me to this world. They brought me up and instilled in me a spirit of hard work and gave me a firm foundation in life upon which I am building.

I also dedicate this book to my Uncle Mr. Tumwesigye Amos and his family for paying my tuition, parenting me and teaching me however much I was old. Thanks to them for showing me a different and real perspective of life may be I would not have known. May God bless your family Sir.

Similarly, I dedicate this work to my family especially my brother Michael and my sister Macklin for sacrificing almost everything for me. *"Thanks Men"*

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ABSTRACT

This study entitled the relationship between participatory management and organizational performance of case study ACE Global LTD was carried out because there is need to bridge the gap between participatory management and organizational performance.

The main objective of this study was to assess the relationship between participatory management and organizational performance. From the research findings, it’s evident that there is a positive significant organizational performance in ACE Global LTD as a result of participatory management. The nature of this research was descriptive, interpretative and evaluative with both qualitative and quantitative data approach. The sample size was established using the Krejice and Morgan table. The sample size of 127 which is in the corresponding population size of 195

The study findings showed that there is a positive and significant relationship between empowerment and organizational performance with correlation values ($r = 0.893$, $p < 0.01$). The study findings showed that there is a positive and significant relationship between information sharing and organizational performance with correlation values ($r = 0.989$, $p < 0.01$).

The study findings showed that there is a positive and significant relationship between employee involvement and organizational performance with correlation values ($r = 0.23$, $p < 0.01$)

The study concludes that majority of the respondents agreed that participatory management contributes to organizational performance of ACE Global LTD through how the employees feel after being empowered while some of the respondents were for the opinion that empowerment doesn’t contribute to organizational performance.

The study recommends that Policy and practice for the better organizational performance should be carefully evaluated and the results of that evaluation be fed back into improved approaches. It is important that the evaluation considers the full range of costs and benefits. ACE Global LTD should have sufficient special techno-economic knowledge and openness to new, effective methods when assessing tenders for organizational performance implementation.

CHAPTER ONE

GENERAL INTRODUCTION

1.0 Introduction

Organizational performanceis comprised of the actual output or results of an organization as measured against its intended outputs (or goals and objectives). It is a broad concept which captures what organizations do, produce, and accomplish for the various constituencies with which they interact (Baum 2002). According to Richard et al. (2009) organizational performance encompasses three specific areas of firm outcomes like financial performance (profits, return on assets, return on investment, etc.), product market performance (sales, market share, etc. and shareholder return (total shareholder return, economic value added, etc.).In recent years, many organizations have attempted to manage organizational performance using the balanced scorecardmethodology where performance was tracked and measured in multiple dimensions such as financial performance, customer service, social responsibility, employee stewardship and others.

Miner (2014) defined an organization as “an organized group of people with a particular purpose”,Performance is defined to include “the action or process of performing a task or function seen in terms of how successfully it is performed”. When these definitions are put together, organizational performance relates to how successfully an organized group of people with a particular purpose perform a function. Essentially, this is what we are speaking about when we refer to organizational performance and achievement of successful outcomes. James (2012)High organizational performance is when all the parts of an organization work together to achieve great results with results being measured in terms of the value we deliver to customers.

A management style according to Shawn (1987) is the manner in which an organization manages their employees, and their work will vary depending on the factor characteristics of the employees, the work activities engaged in, and the culture of the organization. Therefore a successful management style should efficiently build team work, motivate and also involve a characteristic way of making decisions relating to subordinates.

The different management styles include persuasive management style, democratic management style, laizze-faire management style, participative management style and many others. However by asserting the relevancy of their applicability, participative management style has mostly been used in the 20th and 21st centuries according to Harvard university press in 2006. Participative management style is the one where all employees at all levels are encouraged to contribute ideas towards identifying problems, setting organization goals, problem solving, ways of increasing performance, and many other decisions in the organization that affects it directly or indirectly according to Andrew (2011). Meaning participative management can still remain relevant in the 21st century since all the employees are knowledgeable about the job need and what can be done to perform maximally.

According to Meshane (2004) participative management styles has affected organizational behavior by bringing up empowerment, this can be effected when employers trust their employees to risk and take decisions thus encouraging employees to work extra harder since they take the organization as their own thus bringing about a positive and good organizational behavior to the whole organization as one. Schwid, Wagar, Das (2005) also added that empowerment will later develop team work (self-driven teams)which later increase employee involvement and intervention, these team also sometimes make decisions without formal organizational appointment which results into reduced expenses on supervision and also forcing a behavior of every employee or employers in the organization to go in one decision.

Armstrong (2006) believes that participative management has inevitable implication on job designs which also affects the behavior in an organization. Armstrongalso believes that employee performance to an extent is linked to characteristics designed into their jobs as it focuses not only on improved efficiency and productivity but also influence the whole process by taking individual needs of employees in consideration, it will also improve their attitude on the company and also starting to behave positively and thus forming a behavior pattern.

1.1 Back ground to the study

According to Herman miller Inc (1950), participative management was introduced as employees were allowed to structure their work and commit to corporate decision making, introduction of an employee take ownership program and in 1990's the company adopted value based on management. Therefore according to Herman Miller corporation employees can work to the employer's expectations if they are given a chance to participate in the general decision making of the organization.

According to Huckster (1995) participative management grew as early as 1920's from human relation movement and based on the principles discovered by scholars doing research in management and organization studies such as Hawthorne effect, It was found out that while senior managers remain final decision making authority, when participative management is practiced, employees are allowed to voice their opinions about their working conditions and work in general. This has therefore increased the demand by employees and the continuous use of the participative management style because it has proven to have given various organizations returns and has also encouraged the employees to take the organization as their own since they have a say on how to run or manage it hence increasing their commitment towards work, productivity and achieving the set goals and objectives of the organization thus better organizational performance.

Kevin (1963) believed that participative management style has its origin from the famous Japanese style of management which emphasized the flow of information from any level of the organization to any other level. This flow of information allows everyone to get to know about the organization's way about, therefore employees can advise the organizational leaders about how to read it direct and indirectly, this has also resulted into managers themselves seeking advice from their employees thus becoming participative style. Favorable information flow in the organization and participative management style keep the employees happily encouraged to work since they provide/ form policies that improve the welfare of the employee and better working condition in the organization thus improving organizational performance.

Participative management in Africa has seemed to bring increased productivity, job satisfaction, team work, better management performance, and many other things in the few areas it has been used according to Emerald (2001). All these kinds of benefits to employees and management bring about one behavior pattern which is commitment toward better organizational performance, however according to Rapetti (2002) participative management has not been widely used in Africa because of un skilled or semi-skilled employees that might not understand the company's situation and to advise or take a decision where necessary. Meaning this will affect the behavior pattern of the employees since they are just doing as they are told which is sometimes inconveniencing but they don't have any other choice thus affecting their organizational performance.

The case study in this instance was ACE Global, this is a business organization providing auditing, procurement, collateral management and marketing services to its clients. The East African headquarters are located on Clement Hill Road, plot 17, Nkuba drive, Kampala Uganda.

ACE Global (East African Headquarters) took some time before penetrating into the market according to the company's decade report in 2006, recently ACE Global has penetrated the market and its market share is increasing day by day mainly because of the change of its management that was previously bureaucratic in such a way that all the decisions were taken from the mother and the main branch in Switzerland, until they later used participative management style and most of the decisions are taken at every branch. Participative management style changed employee'sattitude towards the company in the branches East Africa and also improved the behavior and performance of the company in all aspects. It currently employees more than 90 permanent employees and 100 casual ones; it has a vision (better it) and the mission (doing the best we can).

1.2 Problem statement

According to Armstrong (2006) many organizations were affected by the way they were managed because it was in most cases bureaucratic management originating from the British management styles that involve up- down communication of decisions and other organizational programs, thus employees could not talk about their demands like increasing their levels of training, rewarding, taking part in decision making and many others.

Due to bureaucracy, employees working behaviors changed since the organizations did not care about them but just the vision, mission and the objectives of the firm that were in most cases profit oriented thus affecting how the organizations were performing compared to how they would have planned before the start of that particular year (Wood 2012), this affected the organizations since they could not even attain their preferred missions and set goals.

According to Covel (2015) recently most organizations learnt that as much as it is important to attain the set objectives of the organizations, it is also important to take employees into considerations since they are the direct factors that may help the organization attain all it wants according to the Japanese business forum on employee consideration in 2014. It is the employees that make up the organization and how they feel is a major factor that can affect the performance of the entire organization, how the employees feel can be influenced by many factors but mainly how they take the organization, if the employees are allowed to air out their views on the better performance of the organization, if they are respected and if empowered to perform all that can be got when the organization uses participatory kind of management then they will take the organization as home thus doing everything to improve its performance. McQuerrey (2014) believes participative management style has been introduced and employees have benefited a lot more from the organization as well as organizations benefiting more from employees compared to the past days thus changing employees and organizational behavior, attitude and thus better organizational performance. Therefore the study is to find out the relationship between participative management style and organization performance in ACE Global at East African branch.

1.3.0 Objectives of the study

1.3.1 General objective

To find out the relationship between participative management and organizational performance

1.3.2 Specific Objectives

To find the relationship between empowerment and organizational performance

To find out the relationship between employee involvement and organizational performance

To find out the relationship between information sharing and organizational performance

1.4 Research Questions

What is the relationship between empowerment and organizational performance?

What is the relationship between employee involvement and organizational performance?

What is the relationship between information sharing and organizational performance?

1.5.0 Scope of the study

1.5.1 Content scope

The research will focus on participatory management styles as an independent variable and organizational performance as a dependent variable in business administration and management perspective

1.5.2 Geographical Scope

The research will be carried out at ACE Global Ltd. East African headquarters on clement Hill Road, plot 17, Nkuba drive, Kampala, Uganda.

1.5.3 Time scope

The study is to cover a period of one and a half years from January 2016 to June 2017 and most of the information is current to emphasize up to date information.

1.6 Justification

The researcher is to carry out the study of new trends of management styles and their effects on organizational performance in various organizations

This research intends to help other researchers to understand better some of the participatory dimension and the immediate effect of each of them.

The research intends help in understanding the importance of human resource in the organization and how it can help improve the performance if perfectly used.

The research intends to shade some light about some of key indicators of the organizational performance and how best can be met.

1.7 Significance of the study

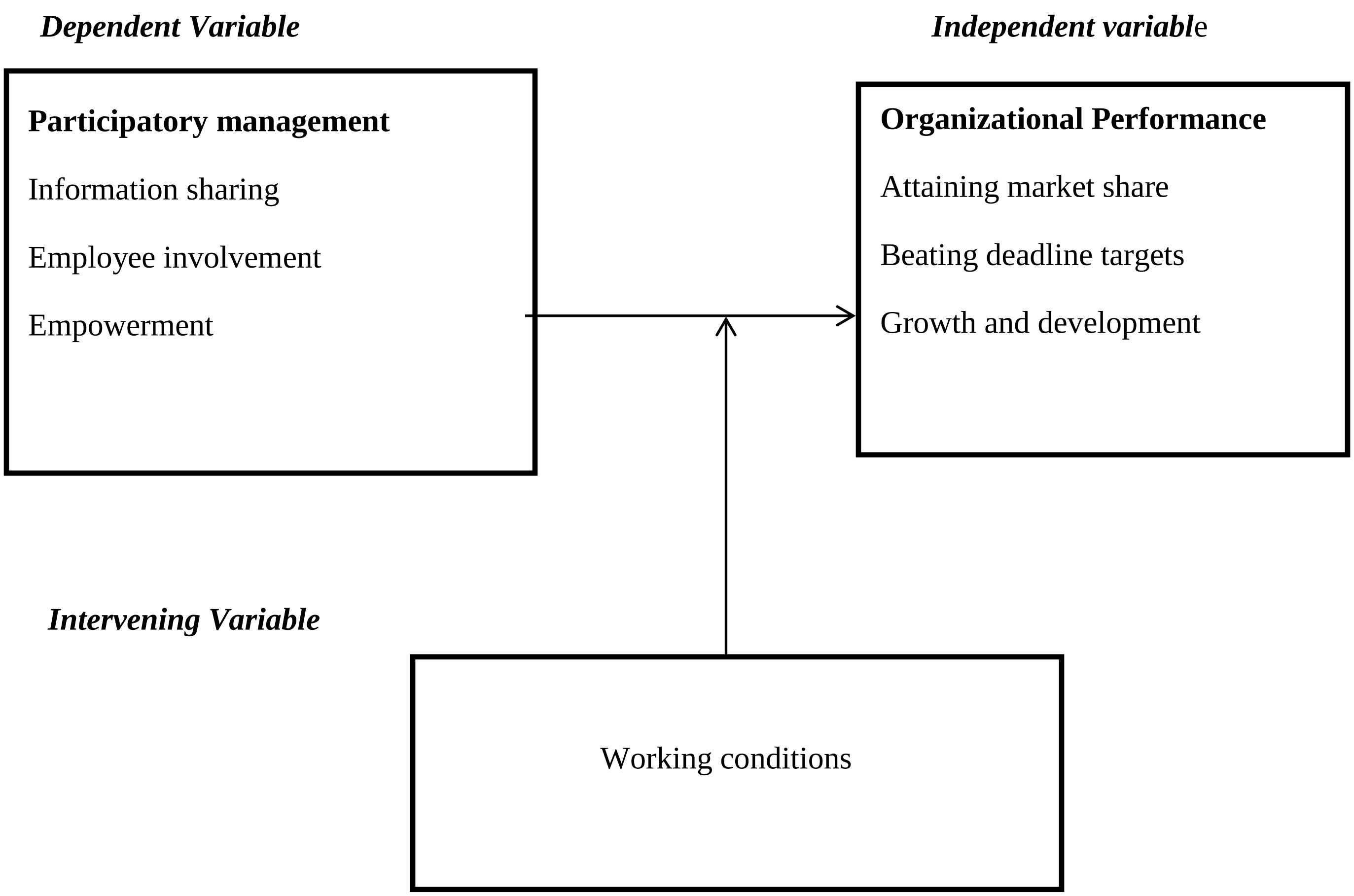
The findings of the research will be used by different organizations in understanding the way employees should be handled so as to be effective and efficient.

Other researchers will use the information to have a bigger understanding about the concept which will help in determining best management practices.

Employees will also use the information gathered to understand the behavior they have on participative styles in various organizations

The research will help in evaluation of different organizations in comparimg the cause of variations in the performance in relation to how they manage their employees.

1.8.0 Conceptual frame work



Source; primary data 2017

The model above explains how participatory management as an independent variable with some of its dimensions like empowerment, information sharing and interdependency if carefully implemented affect the improvement of organizational performance as a dependent variable in a way such as improvement in market share, beating deadline target and growth and development of the organization. Therefore the carefully and better implementation of these participatory management dimensions can lead to better performance of the organization. The study also looks at explaining the importance of culture on management and then organizational performance.

CHAPTER TWO

LITRATURE REVIEW

2.0 Introduction

This chapter intends to present related literature about the problem under the study and this has been based on themes and sub themes derived from the idea and the study objectives, the link between participatory management and organizational performance, the definitions of the two, the understanding of the two and earlier studies of the study.

2.1Participatory management style

According to Guyot (2011) Participatory management is the practice of empowering members of a group, such as employees of a company or citizens of a community, to participate indecision making. Participatory management 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, (Andrea 2015). But for the purposes of this study participatory management focused on employee participation.

2.1.1Overview of participatory management

According to Elton (1933) and Kurt (1947), a large and diverse literature has been assembled on participatory management, which includes employee involvement, industrial democracy, and stakeholder involvement. Interest in participatory management has been persistent during this period, with periodic surges corresponding to the social, political and economic issues of chronically low productivity in the 1960 and 1970. Recently, the focus has been on the relationship between participative management and the newer, organic and networked organizational forms, dramatically improved information and communication technology and greater citizen involvement in organizational decision making. The flowing literature reflects a growing recognition among academics and managers that a high productivity/high wage economy requires new labor-management relationships, including ways to share gains and organize work that more fully develop and utilize the skills, knowledge, and motivation of the workforce.

Participatory management addresses the relationship between the organization, its work and stakeholders(Ruto2012), but this research will only look at the participatory management of employee for clarity. It addresses fundamental issues of governance within organizations and the role of employees in all levels of organizations decision making (Marcson 1960). In addition to philosophical issues of governance and the appropriate relationship between workers and their employers, the literature on participative management can help managers deal with the fundamental challenges facing public science managers in today's dynamic and competitive environment, maintaining high levels of effectiveness, productivity, innovativeness, and worker motivation (Likert 1969). This research will only look at the participatory management of employee for clarity.

Participatory management is recognized as particularly pertinent to organizations dealing with complex, knowledge-based problems. Extensive research conducted as early as the 1950s and 1960s demonstrated that participative management is particularly well suited to science-based organizations whose key staff are noted for their creativity, intrinsic motivation for work that interests them, stronger affiliation with their discipline than their organization, and sensitivity to directive management (Siepert 1964 and Macy 1965).

The interdependence of scientific research and scientific organizations require participation at multiple levels. New requirements to involve external stakeholders in policy-setting and planning decisions and to address concerns about the public acceptability of research programs place additional demands on the skills and capabilities of both managers and staff. One of the main social and organizational utilities of participation is that it offers the possibility of resolving contradictory interests through individual negotiation and or collective bargaining rather than imposition of authority (Bolle 1992)

2.1.2 Why is participatory management commonly used today?

2.1.2.1Competitive Pressure

Participatory management and employee involvement addresses the interactive relationship between the broader socio-political systems at the workplace, in both empirical and philosophical or normative terms (Porterfield 1999), and then tries to examine the relationship between organizational design, managerial approach, workplace conditions, job design, pay systems, worker and manager characteristics, organizational performance, worker and manager motivation and satisfaction.

Interest in participatory management was the realization, which really struck home during the 1980s, that better management practices superior quality management systems, better employee relations, integrated design and production teams could provide critical competitive advantages to public and private sector organizations (Lawler 1996). During this same period, heightened issues about the societal accountability of organizations also occupied management attention (Collins 1997). As a result, since the 1980s there has been substantial expansion in the number and variety of employee participation efforts and initiatives and the number of organizations employing participatory management strategies.

2.1.2.2 Societal Pressure and Strongly Held Democratic Values

The wide spread philosophical belief that people have a right to be involved in making decisions that affect their lives. This is matched by a belief that people who are involved in making decisions have a greater stake in carrying out those decisions than those who are not involved (Bloom 2000). In addition, Ackoff (1999) asserts that employees at all levels, particularly those in the lower half of the organizations, have become increasingly disturbed by the inconsistency of living in a society "dedicated to the pursuit of democracy but working in organizations that are as autocratic as fascist dictatorships." Participatory management is widely perceived as an attribute of socially responsible companies (Collins 1996), with participation in decision making at the workplace seen as central to the democratic vision and basic to the good society (Greenberg 1986).

2.1.2.3 Expected Benefits

As literature on participatory management and employee involvement accumulate, a wide range of benefits are elaborated, and organizations are encouraged to adopt a variety of participation strategies, and to cultivate a culture of participation (Denison 1990). This enthusiasm undoubtedly influenced organizational behavior. For example Kanter (1989), pointed out that a participatory work environment is theoretic and more effective at enhancing innovations than traditional bureaucratic structures because it promotes the sharing of product knowledge between managers and workers, who are closest to the products being made and work being done and therefore more likely to develop strategies and suggestions for better participants results in increased salaries and additional training.

2.2.0 Organizational performance

Organizational performance Comprises of the relationship between the actual output or results of an organization as measured against its intended plans (or goals and objectives) according to Blackwell (2002). It is a broad construct which captures what organizations do, produce, and accomplish for the various constituencies with which they interact.in simple terms according to Baum (2007) it is the analysis of a company's performance as compared to goals and objectives.

According to Richard et al. (2009) organizational performance encompasses three specific areas of firm outcomes that is financial performance (profits, return on assets, return on investment, etc.), product market performance (sales, market share, etc.) and shareholder return (total shareholder return, economic value added, etc.). Specialists in many fields are concerned with organizational performance including strategic planners, operations, finance, legal, and development. According to Virginia (2006) many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as, financial performance (e.g. shareholder return), customer service, social responsibility (e.g. corporate citizenship, community outreach), employee stewardship, Organizational performance, Performance improvement, Organizational engineering etc.

Farley(2010) defined Organizational performance as whether employees executes their jobs duties and responsibilities as extensively documented, due to factors such as national and organizational cultures, strategic orientations, and management styles, there is a significant difference between organizational performance of different organizations operating in different countries. This is because there are significant differences in the factors that drive performance in the most successful firms, regardless of country.

In this study, Webster (1996) examined how organizational culture and climate, customer orientation, and innovativeness affect performance in firms in the U.S., England, France, Germany, and Japan.In a nationally representative sample of firms in these countries, they found unsurprising differences in organizational cultures (the Japanese businesses had more clan-oriented cultures and the French firms more hierarchical ones, for instance). Despite these differences, however, they found that successful firms transcended national culture differences to develop a common pattern of drivers of business performance and total organizational performance.

2.2.1Indicators of organizational performance

2.2.1.1Financial indicators

Profit goes without saying, but it is still important to note, as this is one of the most important performance indicators out there. Don’t forget to analyze both gross and net profit margin to better understand how successful your organization is at generating a high return.

Measure cost effectiveness and find the best ways to reduce and manage your costs.

Revenue vs. Targetis a comparison between your actual revenue and your projected revenue. Charting and analyzing the discrepancies between these two numbers will help you identify how your department is performing.

Cost Of Goods Sold is the total of all production costs for the product a company is selling, you can get a better idea of both what your product markup should look like and what your actual profit margin is. This is key in determining how to outsell your competition.

Day Sales Outstanding (DSO) takes your accounts receivable and divides them by the number of total credit sales. Take that number and multiply it by the number of days in the timeframe you are examining. Congratulations—you’ve just come up with your DSO number! The lower the number, the better your organization is doing at collecting accounts receivable. Run this formula every month, quarter, or year to see how you are improving.

Sales by Region through analyzing which regions are meeting sales objectives, you can provide better feedback for regions that are underperforming.

Expenses vs. Budget Compares your actual overhead with your forecasted budget. Understanding where you deviated from your plan can help you create a more effective departmental budget in the future.

2.2.1.2 Customer Indicators

Customer lifetime value (CLV) according to Fripp (2014) is a prediction of the net profit attributed to the entire future relationship with a customer. The prediction model can have varying levels of sophistication and accuracy, ranging from a crude heuristic to the use of complex predictive analytics techniques. Minimizing cost isn’t the only (or the best) way to optimize your customer acquisition. CLV helps you look at the *value* your organization isgetting from a long-term customer relationship. Use this performance indicator to narrow down which channel helps you gain the best customers for the best price.

Customer acquisition cost (CAC) according to Corkins (2009) divides your total acquisition costs by the number of new customers in the time frame you're examining. You have found your CAC. This is considered one of the most important metrics in e-commerce because it can help you evaluate how cost effective your marketing campaigns have been.

Customer Satisfaction &Retention On the surface, this is simple: make the customer happy and they will continue to be your customer. Many firms argue, however, that this is more for shareholder value than it is for the customers themselves. You can use multiple performance indicators to measure CSR, including customer satisfaction scores and percentage of customers repeating a purchase.

Net promoter score (NPS), Finding out your NPS is one of the best ways to indicate long-term company growth. To determine your NPS score, send out quarterly surveys to your customers to see how likely it is that they'll recommend your organization to someone they know. Establish a baseline with your first survey and put measures in place that will help those numbers grow quarter to quarter.

Number of CustomersSimilar to profit, this performance indicator is fairly straightforward. By determining the number of customers you've gained and lost, you can further understand whether or not you are meeting your customers' needs.

2.2.1.3 Process indicators

Customer support tickets Analysis of the number of new tickets, the number of resolved tickets, and resolution time will become the best customer service department in your industry

Percentage of product defectsTake the number of defective units and divide it by the total number of units produced in the time frame you're examining. This will give you the percentage of defective products. Clearly, the lower you can get this number, the better.

Efficiency measure efficiency can be measured differently in every industry. Let's use the manufacturing industry as an example. You can measure your organization's efficiency by analyzing how many units you have produced every hour, and what percentage of time your plant was up and running.

2.2.1.4 People indicators

Employee turnover rate (ETR) is got from your ETR, take the number of employees who have departed the company and divide it by the average number of employees. If you have a high ETR in your department, spend some time examining your workplace culture, employment packages, and work environment.

Percentage of response to open positions is when hen you have a high percentage of qualified applicants apply for your open job positions, you know you are doing a good job maximizing exposure to the right job seekers. This will lead to an increase in interviewees, as well.

Employee satisfaction, Happy employees are going to work harder—it's as simple as that. Measuring your employee satisfaction through surveys and other metrics is vital to your departmental and organizational health

Regardless of whether an organization is "for profit" or "not-for-profit", an important consideration for boards is the degree to which the organization's available resources are being utilized in an efficient and effective manner to achieve stated outcomes. Is the organization getting maximum desired impact from and avoiding wastage of precious resources?

Organizations should identify the resources (human, financial, physical and intellectual/intangible) they need to deliver on their purpose and plan how those resources will be made available to and best managed by the organization.

Once an organization has decided on its purpose and related strategies, it is common practice as part of a strategic planning process to choose measures or indicators that enable the board to track progress i.e. the key performance indicators (KPIs) to measure the organization's performance on execution of its strategy and achievement of its purpose. In this regard, boards need to consider, with regard to the purpose of the NFP, which performance indicators are most appropriate in the organization's circumstances (e.g. activities undertaken, grantor requirements, etc.), and which indicators should be chosen for measurement purposes. Obviously, it is very important for boards to ensure the metrics adopted are capable of being measured and understood in measuring the performance of the organization.

2.2.2 Evaluating the Performance of an Organization

An organizational assessment is a systematic process for obtaining valid information about the performance of an organization and the factors that affect performance Abu-Doleh(2007). It differs from other types of evaluations because the assessment focuses on the organization as the primary unit of analysis. Organizations are constantly trying to adapt, survive, perform and influence. However, they are not always successful. To better understand what they can or should change to improve their ability to perform, organizations can conduct organizational assessments. This diagnostic tool can help organizations obtain useful data on their performance, identify important factors that aid or impede their achievement of results, and situate themselves with respect to competitors. Interestingly, the demand for such evaluations is gaining ground. Donors are increasingly trying to deepen their understanding of the performance of organizations which they fund (e.g., government ministries, International Financial Institutions and other multilateral organizations, NGOs, as well as research institutions) not only to determine the contributions of these organizations to development results, but also to better grasp the capacities these organizations have in place to support the achievement of results.

2.4The relationship between employee empowerment and organizational performance

Employee empowerment(Mondros,1994) is a strategy and philosophy that enables employees to make decisions about their jobs, own their work and take responsibility for their results as well as serve customers at the level of the organization where the customer interface exists.

According to Roberts (2008) the concept of employee participation has been a topic for research and of interest to employers for many years; it has taken many different forms, evolving from employee involvement and participative decision-making concepts to the contemporary empowerment perspective.

The notion of empowerment involves the workforce being provided with a greater degree of flexibility and more freedom to make decisions relating to work(Joanne 2004). This contrasts markedly with traditional management techniques that have emphasized control, hierarchy and rigidity.

The meaning of empowerment has tended to be associated with the concept of power, thereby implying that power is redistributed by those in a senior position to those in more subordinate positions (Tulloch, 1993).

Empowerment is the process of enabling or authorizing an individual to think, behave, take action, control work and make decisions in autonomous ways. It is the state of feeling confident to take control of one's own destiny Heathfield(2007).

The meaning of empowerment has been the subject of great debate, but still remains poorly defined (Dainty et al., 2002). Russ and Milam (1995) similarly argued that the term is rarely defined clearly and is frequently used rhetorically. One possible reason for this lack of clarity is the tendency for empowerment to be attached to management concepts, for example, business process re-engineering and total quality management (Dainty et al., 2002). Furthermore, the term empowerment represents a wide variety of activities, from "*sham"empowerment*(Rosenthal et al., 1997) to a high level of involvement and devolution of power. Wilkinson (1998) identified some types of empowerment for exampleupward problem solving, task autonomy, attitudinal shaping and self-management.

The original meaning of empowerment has been referred to as authors, give power to" says (Tulloch,1993). The use of the term "power" appears to be common throughout the definitions of empowerment for example;(legge 1995) argued that empowerment should be seen in terms of a redistribution model whereby power equalization is promoted for trust and collaboration. Similarly, Cogner and Kanungo (1998), focused on power as the central point of empowerment, "either to strengthen this belief or to weaken belief in personal powerlessness". Power is often redistribution by transferring control so that employees have the authority to make and implement their own decisions.

The motivational dimension suggests a process through which initiative will need to pass for employees to feel motivated, other authors in the field define empowerment in terms of its dynamic interaction, for example pastor (1996) stated that: “it is part of a process or an evolution that goes on whenever you have two or more people in a relationship, personally or professionally”. lee and Koh (2001) refined this description further by looking at the inter-subjective nature of the subordinate and supervisor. They stated that empowerment is the combination of the psychological state of a subordinate, which is influenced by the empowering behaviors of supervisors.

Organizations are increasingly looking at employee empowerment as a unique asset that can improve organizational performance and provide sustained competitive advantage. The changes in the business environment with increasing globalization, changing demographics of the workforce, increased focus on profitability through growth, technical changes, intellectual capital and the never-ending changes that organizations are undergoing have led to increased importance of employee empowerment (Wright, 1998). For any organization to function efficiently and effectively a number of resources have to be employed, for example, physical facilities like buildings, machinery; financial resources and human resources.

The component of human capital is very crucial for any meaningful development in an

Organization, for example, to increase productivity you have to deal with people and to increase efficiency you need to work on the attitude and skills of your employees. Thus for people to perform well they have to be enabled through skills development and conducive environment for learning and development (Wright, 1998), everyone in the organization from top to bottom, from offices to technical service, from headquarters to local sites must be involved.

People are the source of ideas and innovation and their expertise, experience, knowledge and co-operation have to be harnessed to get these ideas implemented Dale(2004) employees are the core ingredients of service productsbecause minimal time separates the production of the service from its delivery, the idea of providing workers the flexibility, latitude and ability to meet customer service demands is intuitively appealing thus it is not surprising that more service organizations are embracing employee empowerment programs Tabarda (2000).

Organizational performance management is concerned with actions taken to improve performance in order to achieve organizational team or individual effectiveness. Improving performance is only achievable where there are effective processes of continuous development. This in turn addresses the core competencies of the organization and the capabilities of individuals and teams (Lawson, 1995), performance management is the principal set of practices by which control is manifested in organizations. Control is defined as any process that is used to align actions of individuals to the interests of the organizations (Snell 2006), organizationalperformance management is expected to regulate motivation and ability. it is a cybernetic system with feedback from both employee driving modifications at each point in the system.since performance management is concerned with satisfying the needs and expectations of various stakeholders such as owners, management, employees, customers, suppliers and the general public, employees should be treated as partners in the enterprise whose interests are respected. To this end, performance management encourages communication and involvement of managers and their team members in defining expectation and sharing information on the organization’s mission, values and objectives (Lawson, 1995).

2.4.1 Empowerment and Performance

Most of the studies that relate empowerment and performance use an individual level of analysis, typically focusing on the association between job design and task performance, little is known of the relationship between job enrichment and company performance (Patterson et al, 2004). This is an important omission, as several of the potential benefits of job enrichment may occur at the organizational level, for example, lower cost from a reduction in a supervisory, engineering, and other support staff are important at an organizational level of analysis but would not register in a measure of task performance.

Research on the effectiveness of human resources management (HRM) practices to some extent mitigates the above problem, measures of HRM typically encompass job enrichment and skill enhancement, and studies have found HRM to be positively associated with company performance (Guthrie, 2001). In research, HRM is typically measured as a multi-dimensional construct covering a wide range of different practices additional to those of current interest (for instance, performance and profit-related pay, harmonization).More direct support for the importance of empowerment to firm performance is provided by (Kochhar, 2001) study, who found a positive relationship between human capital (based on intellectual capabilities, knowledge, and social capital) and firm performance in a sample of professional organizations.in another study, (Hechanova et al., (2006) did a study on the relationship between psychological empowerment, job satisfaction and performance among filipino service. The study found that psychological empowerment was positively correlated with performance.Although there are few empirical tests of the impact of empowerment practices on company performance, there are strong conceptual grounds for arguing that each initiative will contribute to company performance, and it is precisely because they should do so that they have proved so attractive to companies.

2.4.2 How employee Empowerment is linked to Performance management

Performance management is linked to employee empowerment in two ways;

First, through goal setting. The more an employee understands his or her job, and how the job contributes to the overall organization, the better they will be able to make decisions on their own, informed and expert decisions. Employee empowerment requires thisclarity, or the decisions made will often be the wrong ones.

Second, empowerment implies accountability, along with the freedom to make decisions. The performance management process helps to ensure that accountability for results and the outcomes of decisions the employee makes through ongoing communication, and of course, the performance review process.There are vast studies done on the relationship between job satisfaction and employee empowerment. Thus, job satisfaction often has an intervening effect between employee empowerment and performance.

One of the studies that provide direct support for the relationship between empowerment and firm performance is provided by Koachhar's (2001). This study found a positive relationship between human capital (based on intellectual capabilities, knowledge, and social capital) and firm performance in a sample of professional organizations.

Another study that makes a possible link between empowerment and performance was bone by Hechonova et al. (2006) on the relationship between psychologicalempowerment, job satisfaction and performance among filipino service workers. The study found that psychological empowerment had a positive correlation with performance.

Wood (2007) also did a study which found that employee empowerment was the key to improving performance and promoting innovation among manufacturing firms in ireland. The study found that empowerment is the only practice that has significant effects on performance in all companies surveyed. The study found that performance in companies that empowered their employees was 7% higher than that of companies that did not empower their employees.

2.4.3 The Potential Benefits of Empowerment

The espoused benefits of empowerment can be broadly divided into two areas: benefits for the organization and benefits for the individual. much of the research into empowerment has focused on organizational benefits assuming these are the driving force behind attempts to endanger empowered working Cunningham et al.,(1996)

Global competition and a changing business environment have instigated organizational change in response to increased pressures to improve efficiency and performance Lawler et al.,(1992), specifically organizations have sought improvements in various economic performance areas (Applebaum et al., 1999), however, measurement of the economic benefits of empowerment specifically may be ..difficult as often it is introduced as part of a broader initiative such as BPR and TQM (psoinos and smithson, 2002).

While the primary motive of empowerment is usually to improve the economic performance of the organization, benefits to the individual employee have also been identified. (Nykodym et al. 1994) found that employees who consider themselves empowered have reduced conflict and ambiguity in their role, as they are able to control (to a certain extent) their own environment.

They suggested that this reduces the emotional strain on their employees on a similar theme, it was reported that empowered employees have a greater sense of job satisfaction, motivation and organizational loyalty (Mullins and Peacock 1991), as they feel more involved in the achievement of the organizational goals thus improving organizational performance.

Despite these benefits frequently cited, the nature and meaning of job satisfaction and motivation has not been fully explored within the academic field. Measurement of the employee benefits is very difficult to achieve,unlike organizational benefits which can be measured using objective "facts", individual benefits are much more subjective and complex,certain factual measures, such as absence and turnover rates have been applied in this aim, as too have the investors in people awards which can be used as an indirect indicator of the company's commitment to the development skills (psoinos, 2002). however, it is often considered that softer measures of employee 'attitudes may be more appropriate than those "objective" measures Smithson(2002) managers are faced with many difficulties when attempting to empower employees and these may prevent a business from becoming and empowering organization,

First, there is often resistance to the change both from managers/leaders and from employees themselves. It is often assumed that employees will buy into empowerment, as the benefits are "obvious". However, this has been disputed by Johnson (1994) who claims that previously disempowered employees may resist empowerment, as they fear the increased levels of responsibility and accountability, further, employees may consider empowerment to be just empty rhetoric and yet another management attempts to exploit them. Alder (1993) demonstrated that empowerment is linked to downsizing as frequently those two activities occurred simultaneously. Therefore, it is hardly surprising that employees are suspicious of management schemes.

Managers/leaders may also be resistant to empowerment for this may be perceived as

relinquishing power. They may view the reduction of their power as a threat (Denham et al., 1997), particularly as they too fear job loss or loss of status as the organizational structures become flatter during the downsizing process. They may also vary in their inclination to introduce empowerment in spite of its being a component of organizational policy.

The gap between rhetoric and practice is a further area that is open to criticism. A number of studies have identified that, in some instances, the problems encountered are present in name only (Harold, 1997). While this is not a barrier to empowerment per se, it can lead to inaccurate criticisms of the empowerment concept and more importantly, those who are empowered may be disillusioned and reject empowerment as ineffective,furthermore, it is important that those who incorporate and empowerment strategy do not believe that it will solve all organizational problems; if they do they will ultimately be disappointed.

2.5The relationship between employee involvementand organizational performance

Today's business environment is rapidly changing with increasing turbulence and uncertainty. Such external circumstances do not allow reliable prediction of the future and creating long – term plans. Companies are under pressure to seek new strategies and to make quick decisions to overcome the changes. As the rate of change increases, so does the need for fast and immediate response, which implies higher organizational flexibility.

Such conditions increase the importance of the involvement of talented employees and their input into the management process. Employees, who possess knowledge, skills and abilities, gain wider strategic importance. Involving employees in decision-making and problem solving primarily is due to the need of the organization to develop cross-functional relationships and exploiting the total potential of employees.

2.5.1 The concept of employee involvement

Employee involvement is regular participation of employees in deciding how their work is done making suggestions for improvement, goal setting, planning, and monitoring of their performance (Richardson2003). Encouragement to employee involvement is based on the thinking that people involved in a process know it best, and on the observation that involved employees are more motivated to improve their performance, Sadler (1970).

According to Cohen (1997) Employee involvement is a process of participation and empowerment of employees in order to use their input towards achieving higher individual and organizational performance. Involvement refers to the employee participation in decision making and problem solving, and increased autonomy in work processes. As a result, employees are expected to be more motivated, more committed, more productive and more satisfied with their work. Basic dimensions of involvement are: employee participation (as individuals or in teams), empowerment and self-managed teams.

Employee participation is a management initiative and, as a concept means that the employees are given the opportunity to discuss issues relating to their work, to influence managerial decisions, but management reserves the right to govern Noah (2009).

The autonomy of the work can refer to an individual employee or the team as a whole (Iwugo et al., 2003).Usually, teams have autonomy in managing tasks, although management decides which tasks to assign. Autonomy can be given to an employee who has expertise and best information. From the perspective of the employer, granting autonomy to the team or to the individual has meaning only if the group or individual have identical interests with those of the employer.

Teamwork is considered as an effective way to reduce the organizational hierarchy and increase the employee involvement. (Tybout, 2000). But although problem-solving teams allow employee involvement in decision making, they only have the right to make recommendations, (Mitchell, 1973). Examples include quality circles (groups for improvement). Some organizations go further and create teams that will not only solve problems, but also implement solutions and take responsibility for results. Organizations that strategically opted for more employee participation and autonomy, apply self-managed teams. The self-managed teams are groups of employees drawn from 10 to 15 members. They perform highly connected and interdependent tasks and take a lot of responsibilities from their supervisor, (Hewitt, 2002).

The tasks are related to: production planning, determination of budget, resource allocation, and work schedule, assigning tasks to team members, making operational decisions, coordination of activities with customers, suppliers or other parts of the organization(Jones & Kato, 2005). The self-managed teams even have the right to choose their own team members and to make performance evaluation of each member. As a result, the importance of the supervisory position is reduced and may even be eliminated. The mode of operation puts emphasis on delegating management tasks at the lowest possible organizational level. The effectiveness of self-managed teams depends on the strength and composition of team norms, the type of tasks and structure of remuneration under which the team works(Freeman & Kleiner, 2005).

2.5.2 Employee involvement and the cultural context

Behavior of individuals and groups largely depends on the specific socio-cultural factors. Adoption of employee involvement practices must be viewed within the existing national culture. Bearing in mind that the national cultures difference in certain dimensions, acceptance of employee participation in decision making and empowerment as well as the use of self-managed teams will vary across cultures. More precisely, differences can be observed in the way employee involvement is interpreted, what is the purpose, who should be involved, and which organizational processes and activities are related to involvement.

According to Sagie and Aycan (2006)two dimensions of national culture are strongly linked to employee involvement -power distance and individualism-collectivism. In cultures with high power distance, employees are less involved in the decision making and problem solving processes because of the belief that it is a privilege of the top management. The basic assumption is that the employees are not equal with the managers. It is considered that the one who is at a higher level in the organizational ladder has more knowledge and experience and is able to make better decisions. On the other hand, in the low power distance cultures cooperation between superior and subordinate is high, and it is believed that workers have the competencies to contribute to decision making at the upper levels. This is associated with the basic assumption that everyone has equal rights.

(Barringer& Bleudorn, 1999)The dimension of power distance is related to the degree of employee involvement and the dimension individualism-collectivism refers to whether an individual or group is responsible for making decisions. In highly individualistic cultures, importance of individual participation and the need to meet individual interests and goals are preferable (Menzel et al., 2006). Otherwise, societies with high collectivism favors the interests and goals of collective or group, each individual prefers being a member of community and belonging to a larger group. Only the group as a whole has the right to make decisions and it is expected to be responsible for the actions of any individual(Sagie & Aycan, 2003).

2.5.3 Employee involvement and organizational performance

There is growing evidence that firm performance rests increasingly on the involvement of workers in decision making (Arthur, 1994, Spreitzer & Mishra, 1999). Scholars have argued that employee involvement contributes to organizational efficiency because it has the capacity to enhance the quality of decision making by increasing the inputs and promotes commitment to the outcomes of the decision making process in the workplace (Miller & Monge1986), workers who have greater choice concerning how to do their own work have been found to have high job satisfaction and consequently high performance. A significant relationship between frequency of employee's consultation and organization commitment has also been established (Noah, 2008).

While employee involvement may reside at the core of many contemporary practices and research, the extent to which organizational-level performance gains are actually achieved through decentralizing decision-making authority to lower level employee remains unclear (Richardson et al.,2002). Latham et al. (1994) contend that there is much less research evidence for the value of employee involvement on quality decision making. Scholars have also argued that employees' involvement in decision making may primarily serve to make them feel good about their jobs and organizations but do little to increase firm's performance (Wagner, 1994)

2.5.4 Ways of increasing employee involvement

Management Involvement, The workforce needs to see, and I mean physically see, that management is not only involved, but committed to the initiative. Senior leadership should be involved in the initial roll-out of LEAN education, as well as the Kaizen events aimed at standardizing processes and the defining of goals and standards. They should remain engaged thereafter, and even reinforce their commitment by following “Leader Standard Work” and truly participating in the process. What often happens is that you will see a senior leader come into a facility to participate in a kick-off, or simply deliver a message of encouragement at the start of the process, but then not be involved going forward. People see through this, and do not consider it to be true involvement. Senior leaders need to actively participate in the activities and engage with employees at all levels of the organization. For a team supervisor to feel like they have gotten true face time with their leader is a powerful interaction that can shift their perception. They will go back to their teams, promote the culture change, and get their teams to embrace the new program.

Positive Feedback,if feedback from management is always negative, the workforce will begin to perceive the program as just another way for management to monitor them, under the pretext of an “initiative”. Management needs to consciously provide positive feedback as well, so the workforce feels they are recognized for good performance as well. In addition, negative feedback needs to be handled carefully. First, negative feedback should be handled more as coaching. Also, never single out an individual in front of their peers. Instead, refer to a “situation” and present feedback to the entire team. This reinforces that the team is “in this together”. If the workforce fears individual retribution, it’s likely they will not fully engage in programs out of concern that they might say or do something that will be detrimental to them.

Employee Suggestion Program, Create an employee suggestion program. It's imperative that entries received are followed up on. Designate an individual that will be responsible for providing immediate feedback to the employee who submitted a suggestion, even if that means just a, "Thank you for your submission. We will review and let you know how we might be able to make improvements." This goes a long way in making an employee feel like their opinion is valued. Beyond that, make sure to provide feedback on suggestions during shift start meetings For example, you can take 5 minutes weekly during a shift, start meeting to read out suggestions that are being considered, and recognize the employee who submitted them. You can also provide pins or patches for an employee's safety vest that visibly recognizes participation. If a suggestion is not considered, it's important to communicate back to the employee why it is not being implemented. This is the only way for an employee to learn what suggestions may or may not work.

Correlate the Facility Performance to the "End Goal", In many cases employees do not understand the end goal. The reason for becoming more productive in a facility is to control operational costs, which ultimately makes your company more profitable or your service more competitive. Other than just publishing improvements on individual and site productivity, also publish a measure of how the overall company (or account) is benefiting from their efforts. For example, publish the performance of that facility compared to others on the network, or something indicating the average operating cost per unit for that facility and its performance over

2.5.5 Benefits of employee involvement Heathfield (2006)

Employee involvement exists in organizations that intentionally establish work cultures, systems and processes to encourage and make use of employee input and feedback. Involving employees more in decision making has become increasingly common in early 21st century organizations as companies see benefits in keeping employees at all levels actively engaged in core activities.

Improved Morale by involving employees in decisions and policy changes that directly affect their job, while empowering employees to be more autonomous, greatly improves morale at large. When employees are treated as an asset and their input is given consideration, confidence increases among every team member, and the company sees significant gains in different facets such as productivity and loyalty. Moreover, improved morale can increase an employees longevity with the company. The longer the employee is associated with the company, the more experienced they become, making them mentors to new employees and indispensable to managerial staff.

Increased Productivity**,** Employee involvement and empowerment translates directly into increased productivity. Employees with an investment in the company’s best interest increase their role in the company, fostering a stronger work ethic. When employees are given independence and expected to be more self-sufficient, they become more efficient over time, as they learn to navigate their responsibilities with minimal interference and/or relying less on managerial staff for direction. This allows managerial staff more time to attend to responsibilities other than giving assignments to subordinates and decreases micromanagement, which retards productivity.

Team Cohesion,although employee empowerment is largely designed to give employees autonomy, it likewise fosters better relationships between employees and with their managers, because employees that are given more independence tend to form better working relationships. Each sees the other as mutually benefiting from their working relationship. In addition, more self-governance in the workplace lessens dependence on managers and supervisors and redirects that reliance laterally to coworkers.

Innovation throughcultivating innovation. Employees that have a stake in the company growth and sustainability will offer more ideas and problem-solving solutions when obstacles arise. Moreover, as the employee meets particular challenges or finds improvements in policies, procedures or products, it will foster growth and more critical and imaginative thinking. Employees may see a particular issue differently than a manager and be able to think of a creative solution, which may not be considered in a closed circle of managerial staff.

Employee Commitment, major reason employee involvement has grown is because it has been shown to increase employee commitment to their organizations. By involving employees actively in decision making, company leaders affirm the value of their employees. Employees more naturally develop deeper commitments to organizational and departmental objectives when they help set them and are involved in achieving them by offering input and making decisions that affect success.

Better Ideas,Customers also benefit when companies seek employee input. Front-line employees that interact directly with customers or clients often have more insight into customer concerns and feedback. When company leaders create an environment that encourages employees to share ideas and to get involved in decisions, they often get more informed perspectives with regard to what customers want. When top managers make all critical decisions on their own without employee involvement, their ideas are limited to their perception and past experiences.

2.6.0 The Relationship between Information Sharing and Organizational performance

In the current information driven and technologically based global economy, organizations are becoming increasingly dependent on the cumulative knowledge of their employees, suppliers, customers and other key stakeholders. An organization's ability to share this knowledge among organizational members is key to its competitive advantage Brown & Duguil (2000) Small & Sage (2006). Information sharing is critical to an organization behavior and requires a free flow of information among members that is undistorted and up-to date Childhouse & Towill (2003) However, extensive information sharing within organizations still appear to be the exception rather than the rule (Bock et al., 2007; Davenport & Prusack, 1998; Li & Lin, 2006). According to Li and Lin (2006), intensified competition and globalized markets are some of the challenges associated with getting products and services to the right place at the right time and at the lowest cost. These challenges, for instance, have forced organizations to realize that it is not enough to improve their efficiencies; rather, their entire supply chains have to be made competitive. One way for organizations to do this is to support information sharing among their work groups (Li & Lin, 2006)

Traditionally, an organization' management distributed information along a well-defined, top-down channel. Today, due to the spread of social technologies, information can be shared with great ease almost no effort. This ease of information sharing makes it very difficult to assure that all information travels along the defined channels. Thus, many organizations that already use social technologies to a wider extend are facing the problem of how to adopt their policies to the new nature of information sharing.

Open information sharing means to establish an organizational and technical infrastructure that encourages free exchanges free exchange but also enforces controls that mitigate the risks of irresponsible use according to authors Roland Deiser and Sylvain Newton.

2.6.1Six elements of information sharing according to author Charlene Li (1997)

2.6.1.1Explaining decisions

This concept aims at explaining management decisions and strategies. Employees should not only understand organizational behavior but also comprehend the background of their decisions and strategies. This may strengthen their motivation.

Using social technologies to explain decisions is a first step to openness and is already widespread. The intranet of many organizations has evolved into a corporate social network that includes internal weblogs. Employees are able to comment and discuss decisions made by their managers. Vice versa the management can listen to staff opinions and take part in ongoing discussions thus development of an organizational behavior that improves the performance of the organization.

2.6.1.2 Mutual report

With mutual reporting, management and employees of an organization regularly provide and update each other with information about current developments. Social technologies enable an interactive, two-way exchange of information. They can also be divided into individual communication channels to which executives and employees can subscribe this helps employees to know what they have to do thus doing better with the assistance of others.

2.6.1.3 Information sharing with partners

Information exchange can include both internal and external information that staff or management exchange with external stakeholders of the organization. The general aim is to build and maintain external relationships in order to obtain direct access to all relevant information. The two previous concepts described how organizations use social technologies for internal information sharing, while this and the following concepts refer to the information exchange with external partners.

2.6.1.4 Encourage Participation

Employees, customers, partner or external supporters are invited to contribute their opinion, their own ideas or any other information. The information collected allows the organization to assess its own ideas or any other information. The information collected allows the organization to assess its own performance from different perspectives and to build on the motivation and engagement of individuals who are willing to freely support the goals of the organization.

One successful campaign falling under this concept has in recent years been conducted by the Suisse committee of UNICEF in its fight against the circumcision of girls. The committee launched a virtual postcard that supporters could forward to friends, including through Facebook.

More than 20,000 supporters joined the campaign, which led to a law explicitly banning circumcision in Switzerland since 2012.

2.6.1.5 Outsource Problem Solving

An open exchange with customers and business partners can generate ideas that help to improve the organization's performance, to solve specific problems and to develop innovations. In recent years growing number of organizations has started to offer outside individuals the possibility to participate in open innovation projects. Examples of these open innovation projects are customers that suggest new products. Examples of these open innovation projects are customers that suggest new products, external experts that solve existing problems and online communities that develop the company's design.

2.6.1.6 Open Interfaces

This last concept of open information sharing is different to the others because it does not focus on the exchange between people but on the exchange between computers. Open interfaces allow external actors to build on standardized processes of the organization and enhance these processes by adding new components. They also allow the automatic exchange of information, which is often the basis for entirely new services.

2.7.0 The relationship between working conditions and organizational performance

According to business dictionary "Working conditions refers to working environment and all existing circumstance affecting labor in the work place, including: job hours, physical aspects, legal rights and responsibility organizational culture work load and training".

Gerber et al (1998) Defined working condition as: "working conditions are created by the interaction of employee with their organizational climate, and includes psychological as well as physical working conditions'' Therefore, we adopt the definition of working conditions as follows: “Working conditions refers to the working environment and aspects of an employee’s terms and conditions of Employment”.

Firms that derive their productive advantage fromfirm-specific knowledge may wish to provide better working conditions in the hope that this would reduce worker turnover and minimize the risk of their productivity advantage spilling over to competing firms Glass and Saggi(2002).

If non-monetary working conditions are associated with higher productivity, the employer should pay more for the added productivity of employees in order to not losing the employees. In facts, “as long as more than one employer offers good working conditions for a particular category of worker, employers may be forced to bid up their wages – possibly as high as the marginal value of the worker’s product.

Whether such a positive wage differential exists is an empirical question. If one is found, it would represent a lower bound on the value of actual differences in productivity, bearing in mind that some offsetting compensating wage differential may also be reflected in the observations”Gariety and Shaffer (2001). Work environment includes some factors, which contributes either positively or negatively to achieving maximum organizational performance.

The factors that contribute either positively or negatively to organizational performance are temperature, humidity and air flow, noise, lighting, employee personal aspects, contaminants and hazards in the working environment, types of sub environment. According to Yesufu (1984), the nature of the physical condition under which employees work is important to output, Offices and factories that are too hot and ill ventilated are debilitating to effort. There should be enough supply of good protective clothing, drinking water, rest rooms, toilets, first aids facilities etc.

Both management and employees should be safety conscious at all times and minimum of requirement of the factories act must respect.

This push for more productivity from public sector agencies is not a new phenomenon. These factors may be important; yet, believing that the attitudes and management styles of mid-level managers are what really influences employee productivity and then organizational performance.

Bornstein (2007) states that in organizations where employees are exposed to stressful working conditions, productivity are negatively influenced and that there is a negative impact on the delivery of service. On the other hand if working conditions are good, productivity increase and there is a positive impact on the delivery of service thus better organizational performance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents the methodology that was used in the study. It gives a description of the study area and the methods that were used to collect data from the field. It gives a summary of the research processing and presentation and the problem encountered during the process of data collection and analysis.

3.1 Research Design

Research design is the strategy and structure conceived in bid to acquire solutions to research problems; it is also defined as blue prints for collection, measurement and data analysis (Blumberg, 2008).The research was based on both the qualitative and quantitative research designs, survey researchwas used because it is the most appropriate research strategy for this study.

Qualitative research design was descriptive in nature and this enabled the researcher to meet the objectives of the study.Quantitative research design was used in form of mathematical numbers and statistics assigned to variables that may not be easily measured using statements or themes.

3.2 Area of study

The study was conducted at ACE Global Limited (East African headquarters) located on clement Hill Road, plot 17 Nkuba drive, Kampala, Uganda. It is a first growing company providing services like; collateral management, auditing, marketing, and procurement to its customers

3.3 Population Size

According to Mugenda and Mugenda (1999), population is the entire set of individual, events or objects having observable characteristics about which organization of research findings can be made. The population comprised of clients and employees in human resource, procurement, marketing and accounting departments.

The employees provided an insight into what they recommend as motivation strategies and they also provided an individual opinion on what effect these strategies also have on their own performance behavior.

3.4 Data Collection Methods

The following data collection methods were used during the study.

3.4.1 Interviewing

Interviewing is the communication between two people where the interviewer asks questions for the interviewee to answer.

The researcherused formal interviewing as a method of data collection and the interviews offered a chance to explore topics in depth and allow interaction between the researcher and the respondents such that any misunderstandings of the questions and answers provided can easily be corrected.

The researcher interviewed to avoid the limitations of questionnaire as some information cannot be obtained via questionnaire methods like top level management and tactical level management.

3.4.2 Observation

This method involved looking at things physically with eyes. So the researcher observed the way management conducts activities and influences workers performance. This enabled the researcher to be contented with the information obtained from the study and good enough this method can be used alongside other methods of data collection.

3.5 Sample Size

Key participants of the study comprised of the workers and clients of the organization and the different stake holders were tobe contacted.

A simple random sampling was used to select a representative sample.

They were summarized as below

Strata (category)	**Population size**	**Sample size**
Managers	35	20
Operational employees	60	40
Field officers	100	67
TOTAL	195	127

The study participants chosen using simple random sampling technique because management employees are the implementers of these strategies, a simple random sampling method allowed them have equal chances of being selected for the study since they are also believed to have relevant information regarding the problem under investigation.

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3.6 Source of Data.

The researcher used both primary and secondary source while conducting the study.

3.6.1 Primary data.

Greener (2008) explained that primary sources are those which come into existence in the period under the research. Primary data was gathered from respondents by interviewing the respondents through face to face discussion, by use of observation and questioners.

3.6.2 Secondary source

The researcher also used secondary data that was obtained by reviewing various reports that is journals, text books about motivation and employee service delivery and any other information that was available obtained from internal records of the firm and was deemed relevant to the study. These were consulted at length to extract the real exact information required to support the findings from the study respondents.

3.7.0 Data Collection Instruments

Refers to the device used to collect data, such as a paper questionnaire or computer assisted interviewing system**.** The study employed three methods during the process of data collection and these were as be as follows;

3.7.1 Questionnaires

According to the Oxford dictionary (2012) edition a questioner is a list of a research or survey questions asked to respondents, and designed to extract specific information.

Questionnaireentitled "The relationship between organizationalperformance and participatory management" was used in the process of collecting data.

The relevance of this is that questionnaires were very convenient and less time consuming.

For the case of operational employees and field officers, the questionnaires were administered and for managers who have less time for appointment, an email of the questionnaires were sent to them which would easily be filled. The researcher set questions while bearing in mind for instance specifying the information needed while writing the questions with an appropriate response format for example language used be familiar to all intended subject and pre-testing the questionnaire.

3.7.2 Interview guide

An interview guide, or aide memoire, is a list of topics, themes, or areas to be covered in a semi structured interview. This is normally created in advance of the interview by the researcher.An interview guide was also drafted with a set of questions that the researcher asked during an interview.

The researcher personally recorded the provided responses as the respondents gave them during the process of carrying out an interview.

3.7.3 Observation guide

This tool included the research procedure to be used in the process of looking at things physically with eyes, so the researcher needed these guiding questions to help him generate the necessary information in order to make the research successful.

3.7.4 Document review

The secondary data was collected using document review through viewing the ACE Global Ltd's annual financial report since there was limited time to conduct the study and collect all the required data especially information in regard employee performance is very vital and cannot easily be disclosed by most private companies thus this instrument enabled the researcher acquire adequate and relevant information needed for the research.

3.8 DATA ANALYSIS, PRESENTATION AND PROCESSING

3.8.1 Data processing.

Data processing is, generally, "the collection and manipulation of items of data to produce meaningful information, Wyatt(1991).After collecting all the necessary data, it was edited to eliminate errors. This was intended to ease the tabulation of work and also erase / remove the unwanted responses which would be considered to be significant. Coding was done manually and by the use of computer through word processing and excel.

3.8.2 Data Presentation

Data presentation is the method by which people summarize, organize and communicate information using a variety of tools, such as diagrams, distribution charts, histograms and graphsaccording to (Andrew, 2002)The researcher presented the data got from the primary and secondary source using statistical package for social science (SPPS) software and the result was presented in tables for ease interpretation.

3.8.3 Data analysis

Rachel (2014) defines data analysisas a process of inspecting, cleansing, transforming, and modelingdata with the goal of discovering useful information, suggesting conclusions, and supporting decision-making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, in different business, science, and social science domains.The researcher used programs like SPSS to analyze the information after it has been entered into the computerized system; the use of scientific models like correlation, regression mean and mode was used to establish the relationship between the variables.

3.9 LIMITATIONS OF THE STUDY

The researchinvolved the following constraints;

Financial constraints. The researcher had limited funds to finance the activities such as transport costs, printing questionnaires among others.

Language barrier. The need for an interpreter because some people did not understand English.

Limited time. The time allowed to do this research was inadequate to conduct the study so as to obtain all the necessary information for much better conclusions due to the fact that the researcher had to attend classes, other academic issues and this did not give enough time to collect data from the respondents.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

The study examinedthe relationship between participatory management and organizational performance.The study presents results from questionnaire in form of means, standard deviations and the correlations to show the nature of relationship between the independent variable and the dependent variable, and the background information of respondents which shows the common demographic characteristics of respondents that participated in the study.

The results on the background of respondents are analyzed and interpreted. This is followed by results on objective one, two and three respectively which are also analyzed and interpreted. The researcher sent out 127 questionnaires but managed to get 100 filled questionnaires and this implied that the response rate was 80%.

4.1 Background of respondents

This section presents the background information of the respondents, in regard to their gender, age and educational level. This information was considered useful in that it would reveal the professional relevance and knowledge base of the respondents to give informed responses.

4.1.1 Gender of the respondents

The following table 4.1 presents findings about the gender of respondents and analysis follows. Gender is an important variable in a given organization which is variably affected by any social or economic phenomenon and the relationship of participatory management and organizational performance. Hence the variable gender was studied for this research. Data related to gender of the respondents is presented in the figure below

Table 4.1.1 showing gender of the respondents

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	57	29.2	57.0	57.0
	female	43	22.1	43.0	100.0
	Total	100	51.3	100.0	
Missing	System	95	48.7		
Total		195	100.0		

Source: Primary Data(2017)

As shown in the above table 4.1, there were (57%) male and (43%) female, the majority of respondents were male more than the female and this was because men were easy to approach and they returned the questionnaires they were given. This was found relevant because respondents of different genders could be having varying views and knowledge on the relationship between participatory management and organizational performance

4.1.2 Age of the respondents

Table 4.1.2 showing age of the respondents

Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	24 and below	12	6.2	12.0	12.0
	25-29	16	8.2	16.0	28.0
	30-34	22	11.3	22.0	50.0
	35-39	23	11.8	23.0	73.0
	40-44	16	8.2	16.0	89.0
	50 and above	11	5.6	11.0	100.0
	Total	**100**	**51.3**	**100.0**	
Missing	System	95	48.7		
Total		195	100.0		

Source: Primary Data (2017)

Findings show that (12%) were aged below 24 years, (16%) aged 24 to 29years, (22%) aged between 30 and 34 years, (23%) aged between 35 and 39years, (16%) aged between40 and 44 years and above 50 years, there were (11%). Therefore this justifies that respondents were mature to have the mental capacity and strength to familiarize and interpret the contents of the questionnaire and to be able to complete it. The demographic results further indicate that the majority respondents were youthful since they have curiosity and knowledge of the facts about the relationship between participatory management and organizational performance.

4.1.3 Level of academic qualification

The study sought to ascertain the academic qualification level of respondents which is categorized as certificate, diploma, degree, masters' degree and any other. The respondents were requested to indicate their education level and the findings were analyzed using descriptive statistics and are presented below

Table 4.1.3 showing academic of the respondents
Academic qualifications

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate	5	2.6	5.0	5.0
	Diploma	20	10.3	20.0	25.0
	Degree	54	27.7	54.0	79.0
	Masters	16	8.2	16.0	95.0
	Other	5	2.6	5.0	100.0
	Total	**100**	**51.3**	**100.0**	
Missing	System	95	48.7		
Total		**195**	**100.0**		

Source: Primary Data (2017)

The results in table 4.1.3 above shows that a big number of respondents are degree holders at 54%, followed by diploma holders at 20%, followed by masters holders at 16%, followed by those with certificate at 5% and other qualification at 5%. The implication for the above results is that a big number of respondents are degree holders, diploma holders and master's holders meaning they were able to understand the research instrument very well hence giving accurate answers.

4.1.4 Years worked in the organization

The study sought to establish the duration in service of respondents at the organization which was categorized as 1-5years, 6-10 years, and11 years and above. The respondents were requested to indicate the duration in service and the findings were analyzed using descriptive statistics and are presented below.

Table 4.1.4 showing Years worked in the organization of the respondents

Years worked in the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5years	30	15.4	30.0	30.0
	6-10 years	47	24.1	47.0	77.0
	11 years and above	23	11.8	23.0	100.0
	Total	**100**	**51.3**	**100.0**	
Missing	System	95	48.7		
Total		**195**	**100.0**		

Source: Primary Data (2017)

From table 4.1.3 above, the highest number of respondents had worked for 6– 10years at 47%, followed by 1– 5 years at 30%, and lastly above 11 years had 23%. The findings show that most of the respondents had served the organization between 6-10 years. This implied that majority of the employees have worked for a good number of years and therefore can be able to use their experience to respond to the instrument.

4.2 Presentation according to study objectives

4.2.1 Organizational performance

Table 4.2.1 showing Organizational performance

	N	Minimum	Maximum	Mean	Std. Deviation
Organizations attract external attention	100	1	5	3.53	.822
There is vivid growth in the organization	100	1	5	3.27	.851
Increase in market share	100	1	5	3.64	.674
There is steady increase in total revenue	100	1	6	3.57	.879
The organization beats the targets	100	1	5	3.42	.794
Valid N (listwise)	100				

The respondents were requested to state whether the organization is attracting external attention since the introduction of new management style. The findings indicated a mean of 3.53 which implied that the majority of the respondents agreed with the statement and a standard deviation of 0.822 which implied that there were varying views among the respondents. This means that the majority of the respondents agreed that the attention has increased. However there were some who dis-agreed with the statement.

The respondents were asked to state whether there is vivid growth in the organization. The findings indicated a mean of 3.27 which implied that the majority of the respondents agreed to the statement and a standard deviation of 0.851 which implied that the respondents had differing views about the statement.

The respondents were further requested to state whether there is increase in market share. The findings indicated a mean of 3.64 which implied that many of the respondents agreed to the statement and a standard deviation of 0.674 which implied that the respondents had varying views on the statement. This means that majority of the respondents agreed that there is an increase in market share but some respondents did not agree.

Respondents were requested to state whether there is a steady increase in total revnue. The findings indicated a mean of 3.57 which implied that the majority of the respondents agreed with the statement and a standard deviation of 0.879 which showed that the respondents had varying views about the statement. This means that much as the majority of the respondents agreed, some respondents disagreed.

The study wanted to establish whether the organization meets its targets. The findings indicated a mean of 3.42 which implied that many of the respondents agreed to the statement and a standard deviation of 0.794 implied that there were varying views about the statement among the respondents. This means that much as the respondents agreed some totally disagreed with it.

4.2.2 Empowerment and organizational performance

The study sought to establish the relationship between empowerment and organizational performance. Findings from questionnaires were computed to obtain means, standard deviations, and correlations. Respondents were required to respond to a number of statements on work process redesign used in the organization. The following were the results

Descriptive Statistics

	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
Employees are accountable for actions	100	1	5	3.53	.797
There is clarity of employees work	100	1	5	2.89	.852
Employees enjoy work autonomy	100	1	6	3.61	.840
There is reduced control by managers	100	2	5	3.69	.615
Employees are source of ideas and innovations	100	1	5	3.57	.769
Employees make decisions about their work	100	1	5	3.42	.867
There are set goals to be achieved	100	1	6	3.57	.879

Source: Primary Data (2017)

Respondents were required to state whether employees are accountable for their actions and the findings indicated a mean of 3.54 which implied that majority agreed to this statement. The standard deviation of these responses was 0.797 which indicated that respondents had varying responses on the statements. This implies that much as the majority agreed that employees are accountable for their actions, there are a number of employees that disagreed because they believe that some or all employees are not accountable. This is in line with Mondros (1994), empowerment is a strategy and philosophy that enables employees to make decisions about their jobs, own their work and take responsibility for their results as well as serve customers at the level of the organization where the customer interface exists.

The research wanted to ascertain whether there is clarity of employees work and the findings indicated a mean of 3.89 which implied that the majority agreed to the statement. Standard deviation was 0.892 which implied that respondents had varying views on the statement. This means that much as the majority agreed to the statement, some employees disagreed on having work autonomy.

The study sought to find out whether the employees enjoy work autonomy. The findings indicated a mean of 3.61 which implied that a big number agreed to the statement. Standard deviation was 0.840 which implied that respondents had wide varying views on the statement which is in line with Robertson (2012) that no matter which concept is being applied; higher levels of autonomy tend to result in an increase in performance because of trust.

The research wanted to ascertain whether there is reduced control by mangers and the findings indicated a mean of 3.69 which implied that the majority agreed to the statement. Standard deviation was 0. 619 which implied that respondents had varying views on the statement, This means that much as the majority agreed to the statement, some employees disagreed because there is no reduced control by managers.

The study sought to find out whether employees are source of ideas and innovation. The findings indicated a mean of 3.57 which implied that a big number agreed to the statement. Standard deviation was 0.769 which implied that respondents had wide varying views on the statement.

The researcher wanted to establish whether employees make decisions about their work at ACE Global. The findings indicated a mean of 3.42 which implied that a big number of the respondents agreed to the statement. The standard deviation was 0.867 which implied that respondents had varying views on the statement. This means that much as the majority respondents agreed to the statement, a number of employees also disagreed with the statement because some employees do not make decisions about their work especially those doing small jobs like cleaners and genitor.

Respondents were required to state whether there are set goals to be achieved, the findings indicated a mean of 3.57 which implied that majority of the respondents agreed to the statement. Standard deviation was 0.879 which implied that respondents had varying views on the statement, meaning that much as many of the respondents agreed to the statement, a big number of the respondents also disagreed. This is because most of them did not see many set goals to be achieved.

Correlations

		Empowerment	Organizational performance
Empowerment	Pearson Correlation	1	.893**
	Sig. (2-tailed)		.000
	N	100	100
Organizational performance	Pearson Correlation	.893**	1
	Sig. (2-tailed)	.000	
	N	100	100

**. Correlation is significant at the 0.01 level (2-tailed)

Correlation analysis showed a positive significant relationship ($r = 0.893$, $p < 0.01$) between empowerment and organizational performance. This means that organization performance is positively affected by empowerment for example there is reduced control by managers in the organization. This means that empowerment is so important and it has a big effect on organizational performance. This agrees with what Hachanova (2012) says that the more an employee understands his or her job, and how the job contributes to the overall organization, the better they will be able to make decisions on their own, informed and expert decisions

4.2.3 Information sharing and organizational performance

The study established the relationship between information sharing and organizational performance. Respondents were engaged in answering questionnaires and results are presented below from questionnaires. Results from questionnaires were computed to obtain frequencies and percentages, and correlations.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
There is effective communication in the organization	100	1	5	3.65	.672
Employees have productive work groups	100	1	5	3.16	.825
There is togetherness and openness among employees and their managers	100	1	5	3.62	.722
Management explains its decisions to its employees	100	1	4	2.38	.885
There is mutual reporting of information to line managers	100	2	5	3.68	.709
There is reliance and trust among employees and management	100	1	5	3.19	.849
The organizational culture is based on hardwork	100	1	5	3.99	1.087
Valid N (listwise)	100				

Respondents were required to state whether there is effective communication in the organization. The findings indicated a mean of 3.65 which implied that the majority of the respondents agreed to the statement and a standard deviation of 0.672 which implied that the respondents had varying views on the statement. This means that much as the majority of the respondents agree that there is effective communication in the organization while some respondents disagreed to the statement because there is no.

The researcher also wanted to establish whether employees have productive work groups in the organization, findings indicated a mean of 3.16 which implied that a big number of the respondents agreed to the statement and a standard deviation of 0.825 which implied that the respondents had varying views on the statement. This means that much as the majority of the respondents agreed to the statement, there were also a number of respondents that disagreed to the statement because the organization does not have productive work groups.

Respondents were further required to state whether there is togetherness and openness between employees and managers in the organization. The findings indicated a mean of 3.62 which implied that the majority of the respondents agreed to the statement and a standard deviation of 0.722 which implied that the respondents had varying views on the statement. This means that the majority of the employees agree there is togetherness and openness between employee and mangers in the organization.

Respondents were also required to state whether the management explains its decisions to the employees. The findings indicated a mean of 2.38 which implied that the majority of the respondents agreed to the statement and a standard deviation of 0.885 which implied that the respondents had varying opinions about the statement. This means that much as many respondents agree to the statement, there is a number of few respondents that disagree with it because they don't think the management explains its decisions to the employees

The researcher wanted to ascertain whether there is mutual reporting of information to line managers. The findings indicated a mean of 3.68 which implied that the greater percentage of the respondents agreed with the statement and a standard deviation of 0.709 implied that there were some varying options of the respondents. This means that most of the respondents agreed that there is mutual reporting of information to the line managers

Respondents were required to state whether there is trust and reliance among employees and managers in the organization. The findings indicated a mean of 3.19 which implied that the majority of the respondents agreed with the statement and a standard deviation of 0.849 which implied that there were some varying opinions among the respondents about the statement. This means that many of the respondents agreed but there are some respondents that do not respond to them.

The researcher wanted to ascertain whether the organizational culture is based on hard work.. The findings indicated a mean of 3.99 which implied that the greater percentage of the respondents agreed with the statement and a standard deviation of 1.087 implied that there were some varying options of the respondents. This means that most of the respondents agreed that the organizational culture is based on hard work.

Correlations

		Information sharing	**Organizational performance**
Information sharing	Pearson Correlation	1	.989**
	Sig. (2-tailed)		.000
	N	100	100
Organizational performance	Pearson Correlation	.989**	1
	Sig. (2-tailed)	.000	
	N	100	100

**. Correlation is significant at the 0.01 level (2-tailed).

Correlation analysis showed a significant positive relationship ($r = 0.989$, $p < 0.01$) between information sharing and organizational performance. This means that organizational performance is positively affected by Information sharing enabled processes for example effective communication with in the organization between management and its employees.

4.2.4 Employee involvement and organizational performance

The study sought to establish the relationship between employee involvement and organizational performance. Findings from questionnaires were computed to obtain means, standard deviations, statements or quotations and results are presented below correlations. Respondents were required to respond to a number of statements on employee involvement. The following were the results;

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Employees have good relationship with managers	100	1	5	3.44	.946
Employees know their work and can influence managerial decisions	100	1	5	3.44	.914
Organization has employee suggestion schemes	100	1	5	3.49	.759
There is visible interaction between or among employee and management	100	1	5	3.01	.904
There is coordination of activities among customer, suppliers, employees and management	100	1	6	3.56	.891
Employees discuss is issue relating their work	100	1	5	3.64	.772
Self-managed teams reduce organizational hierarchy	100	1	5	3.57	.769
Valid N (listwise)	100				

Source: Primary Data (2016)

The respondents were asked to state whether employees have good relationship with their managers. The findings indicated a mean of 3.44 which implied that the majority of the respondents agreed with the statement and a standard deviation of 0.946 which implied that there were varying views among the respondents. This means that the majority of the respondents agreed that having a good relationship with managers affects them positively. However there were some respondents that disagreed to the statement

The respondents were requested to state whether employees know their work and can influence managerial decisions. The findings indicated a mean of 3.44 which implied that the majority of the respondents agreed to the statement and a standard deviation of 0.914 which implied that the respondents had varying views about the statement. This means that much as the majority of the respondents agreed to the statement, there are some respondents that did not agree to it.

The respondents were further requested to state whether there are suggestion schemes. The findings indicated a mean of 3.49 which implied that many of the respondents agreed to the statement and a standard deviation of 0.759 which implied that the respondents had varying views on the statement. This means that majority of the respondents agree to employees having suggestion schemes.

Respondents were asked to state whether there is visible interaction between employees and management. The findings indicated a mean of 3.01 which implied that the majority of the respondents agreed with the statement and a standard deviation of 0.904 which showed that the respondents had varying views about the statement. This means that much as the majority of the respondents agreed.

The study sought to establish whether there is coordination of activities between suppliers, employer, customers and management. The findings indicated a mean of 3.56 which implied that many of the respondents agreed to the statement and a standard deviation of 0.891 implied that there were varying views about the statement among the respondents. This means that much as the respondents agreed that there is coordination of activities, some totally disagreed with it.

The study also wanted to find out whether employees discuss issues about their work. The findings indicated a mean of 3.64 which implied that the respondents agreed to the statement and a standard deviation of 0.772 which implied that the respondents also had varying views about the statement. This means that much as a big number of the respondents agreed to the statement, there were respondents that totally disagreed that employees do not discuss their work.

Correlations

		Employee involvement	**Organizational performance**
Employee involvement	Pearson Correlation	1	.023
	Sig. (2-tailed)		.824
	N	100	100
Organizational performance	Pearson Correlation	.023	1
	Sig. (2-tailed)	.824	
	N	100	100

Correlation analysis showed a high significant positive relationship ($r = 0.23$, $p < 0.01$) between employee involvement and organization performance. This means that organization performance is positively affected by employee involvement for example discussing issues relating to their work. These findings are in agreement with Appelbaum et,al (1999) who said that one of most important component which helps with human resource empowerment is culture. Unfortunately, some organizations do not pay attention to it and yet without culture, empowerment is impossible. The findings are also in line with Bowen and Lawler, (2002) who explain that empowerment entails sharing information with workers, basing rewards on organizational performance, training employees to contribute to organizational performance, and involving employees in management decision making.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The study examinedthe relationship between participative management and organizational performance with specific reference to ACE Global ltd in Uganda. The study adopted three research objectives which looked at empowerment, information sharing and employee involvement.This chapter presents the summary of findings, conclusions and recommendations of the study and these are presented according to the findings in objective in chapter four.

5.2 Summary of key findings

5.2.1b Relationship between information sharing and organizational performance

The study findings showed that there is a positive and significant relationship ($r = 0.989$, $P < 0.01$) between information sharing and organizational performance. This implies that information sharing is very important because it determines organization will be considering that organizational performance has positively affected information sharing for example management explains its decisions to management.

Importance of information sharing include the following

Here's a quick attempt: Effective collaboration is having the *right* people with the *right* goals discussing the *right* topics armed with the *right* information. To be truly useful, this information must be shared among the relevant team members. Not just shared but re-shared, discussed, annotated, debated, challenged, and finally, agreed-upon. People must truly connect and engage with the information that matters to them.

This vigorous, iterative process is what real collaboration is. It's not whether people are meeting in "hubs". Or on the road, or at home. It's not the devices they're using. It's not the information possessed by each individual. It's the spirited interactions *between* people and information. From this energetic, dynamic process comes intelligence and insight. And from insight comes better decisions. To make this collaborative process happen, employees need both timely, relevant information *and* the platforms and systems that support and encourage such knowledge-sharing.

5.2.2 The relationship between employee involvement and organizational performance

The study findings showed that there is a positive and significant relationship ($r = 0.23$, $P < 0.01$) between employee involvement and organizational performance at ACE Global ltd. This implies that organizations should put emphasis on involving employees in all the important aspects of the organization including decision making

Three importances of employee involvement include the following;

Improving productivity, when employees are involved in making decisions, they gain a professional and personal stake in the organization and its overall success. This commitment leads to increased productivity as employees are actively participating in various aspects of the company and wish to see their efforts succeed overall.

Improving Morale of employees, actively engaging workers in the decision-making process increases overall company morale. Many companies have a distinct separation of power between management and workers; however, active employee involvement lowers that gap, opening the lines of communication between supervisors and employees.

Internal Resources,Using employees in the decision-making process, rather than outsourcing, saves money, time, and offers the company long-term reliable assistance from those who know the corporation well.

Teamwork, Participation in the decision-making process gives each employee the opportunity to voice their opinions, and to share their knowledge with others. While this improves the relationship between manager and employee, it also encourages a strong sense of teamwork among workers

5.2.3 Relationship between of employee empowerment and organizational performance

The study findings showed that there is a positive and significant relationship ($r = 0.893$, $P < 0.01$) between employee empowerment and organizational performance at ACE Global ltd. This implies that organizations should put much strength on empowering their employees if they are to change the ways employees behave and the way things are done in the organization.

Employees should be empowered because it motivates them and affects organizational culture in a positive way but they should be sensitized on how best to use the power that has been given to them so as not to misuse it to disadvantage others.

5.3 Conclusions

Since all the dimensions of participatory management (empowerment, information sharing and employee empowerment) showed a positive and significant relationship with organization performance, the study therefore concludes that participatory management has a positive and a significant relationship on organizational performance.

The discussion of the study is presented according to the objectives of the study with back up of reviewed literature to make the discussion more authentic. In regard to participatory management, it was concluded that since the respondents seem to agree that it affects the way things are done in the organization, it is therefore important for participatory management to be strengthened so as to be able to achieve the goals and objectives of the ACE Global ltd.

The findings of the study therefore empowered the researcher to conclude that participatory management alone is not enough to affect the way people perform in the organisation but top management support coupled with the policies and procedures of the organisation can be used to ensure that it is properly implemented and adopted so as to achieve the goals and objectives of the organisation through an improved organisation performance.

On testing the relationship between participatory management and organizational performance, the study revealed that they have a significant and positive relationship. It is therefore concluded that participatory management has a direct relationship with organizational performance at ACE Global ltd.

5.4 Recommendations

On the basis of study findings, discussions and conclusions, the following recommendations in relation to the observations were made;

Top management of the organization should ensure that it involves employees in making decisions, and ensuring that they participate in every activity which in turn contributes to a positive attitude towards the changes brought about by participative management hence a change in the culture of the organization leading to better or increased performance.

Top management should also ensure that an open communication system in the organization is there to ensure sharing of information.

Organization must ensure that different types of on-job as well as off-job training for employees and other stakeholders in order for them to understand participatory management and use to benefit them and also improve organization performance.

Employees should be sensitized on the benefits of empowerment and how it can be used to produce best results for the organizations to avoid misuse of the power and freedom that has been given to the employees.

The management of the organization needs to hire a consultant to offer further training in participative management that have been changed for them to adopt more easily and ensure that there is better performance. This will improve the known culture of the organization as an effective and efficient organization in performance.

5.5 Areas for further research

The study was carried out at ACE Global and yet other private and public institutions have also adopted participatory management for example Ministry of Finance, Planning and Economic Development, Uganda Registration Services Bureau. Therefore a similar study may also be needed to be undertaken in these different public and private institutions.

There is also need to conduct a study on developing an Organizational culture supportive of participatory management.

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APPENDIX 1

QUESTIONNAIRE

Dear respondent

I am a third year student of Uganda Martyrs University. This questionnaire is part of the research work that I am carrying out under the supervision of Uganda Martyrs University for the award of Bachelor's degree in Business Administration and Management. I am conducting a study entitled"**the relationship between participatory management and organizational performance'** Therefore, I wish to request you kindly to spare some time and answer the questions below as honestly as possible by ticking in the spaces provided. The information given will be purely for academic purposes and will be treated with confidentially. Thank you for your cooperation.

SECTION A: Back ground information (Please tick in the appropriate Box)

Please answer the following questions about the general business climate in your organization in terms of how it operates, not how you would prefer it to be.

1. **Gender:** a) Male ☐

   b) Female ☐

2. **Age of respondents**

   a) 24 and below ☐ b) 25-29 ☐

   c) 30-34 ☐ d) 35-39 ☐

e) 40-44 ☐ g) 50 and above ☐

3. **Academic qualification;**

A) Primary ☐ b) Secondary ☐

c) Tertiary/vocational ☐ d) Bachelor's degree ☐

e)Others specify………………………………………………………………………………

4. **Years worked in the organization**

a) Between 1-5 years ☐

b) 5-10 years ☐

c) 11 years and above ☐

5. **Department of respondents**………………………………………………………..

The next questions in tables below, kindly indicate your level of agreement with the following statements about product design, packaging and branding in relation to customer satisfaction using the scale of: 1= Strongly agree(SA), 2=Agree(A) 3=Neutral (N), 4=Disagree(A) and 5=Strongly disagree(SA).

Section A: Empowerment

	Particulars	**1 SD**	**2 D**	**3 N**	**4 A**	**5 SA**
1	Employees are accountable for their actions					
2	There is clarity of employees work					
3	Employee enjoy work autonomy					
4	There is reduced control by managers					
5	Employees are source of ideas and innovation					
6	Employees make decisions about their work					
7	There are set goals to be achieved					

Section B: Information sharing

	Particulars	**1 SD**	**2 D**	**3 N**	**4 A**	**5 SA**
1	There is effective communication in the organization					
2	Employees have productive work groups					
3	There is togetherness and openness among employees and their managers					
4	Management explains its decisions to employees					
5	There is mutual reporting of information to line managers					
6	There is reliance and trust among employees and management					
7	There is an organizational culture is based on hard work					

Section C: employee involvement

	Particulars	**1 SD**	**2 D**	**3 N**	**4 A**	**5 SA**
1	Employee trust and have a good relationship with the management					
2	Employees know their work best and can influence managerial decision making					
3	The organization has employee suggestion schemes					
4	There is visible interaction between or among employees and management					
5	There is coordination of activities among customers, suppliers, employees and management					
6	Employees discuss issues relating to their work					
7	Self-managed team work reduce organizational hierarchy					

Section D; Organizational performance

	Particulars	**1 SD**	**2 D**	**3 N**	**4 A**	**5 SA**
1	The organization is beating deadlines					
2	There is increase in the total revenue					
3	The market share of the organization is increasing					
4	The is vivid growth of the organization					
5	The organization is attracting external attention					

APPENDIX

INTERVIEW GUIDE

I am a student of Uganda Martyrs University currently collecting data for complication of my dissertation as a partial requirement for the award of Bachelor's degree in Business Administration and management of Uganda Martyrs University. The interview I am conducting is basically aimed at obtaining quantitative information to compliment the quantitative information. Information given will be treated with utmost confidentiality.

1. Do you encourage using participatory management style?
2. In your view, to what extent has participatory management contributed to organizational performance?
3. How has empowerment increased productivity of employees
4. To what extent has the use participatory management increased employee involvement?
5. What kinds of skills are required from participatory managers?
6. How important are those skills towards organizational performance?

THANKS FOR YOUR TIME

APPENDIX 3:

KREJCIE AND MORGAN TABLE

Table 3.1

Table for Determining Sample Size of a Known Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size; S is Sample Size *Source: Krejcie & Morgan, 1970*