

# A study on employee participation and organizational culture in Chennai city

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**ABSTRACT:** *The purpose of this study is to analyze the organizational culture and determine the influence of employee participation. Employee participation is an important concept for understand and describe the nature of relationship between the employer and its employee. There are different types of employee participation it depends upon the motivation. Higher motivation is increase the productivity of the organization also it will help to the faster growing of the company. The participation can increase the trust and increase the relationship between organization and its employee. Improvement of organizational culture helps to decision making process and improve leadership style but employee participation is a long term process it attention from management side and initiative from employee. The study helps to the management to encourage employee participation in work related decisions and help the employee share the knowledge. Employee participation creates the ownership to the employee towards the organization.*

**Key Words :** *Employee, Employee participation, Organizational culture and motivation*

## 1 INTRODUCTION

The Companies changing their process since it achieve its objectives. Employee participation is an essential factor for organization and its workers in fact employees are the key source for the organization so organizations make them easy to their work. Organizational culture includes values and behaviors of the company it is the way of people who interact with them. Organizational culture is the collective values, beliefs, management style, history of the organization, product, market, technology, strategy, employee types etc. Organizational culture affects the way of people who are interacting with them also it will affect the employees within the organization. Organizational culture has differed to company to company even though an organization have its "own unique culture,". Big organizations have 'culture' and 'sub-culture'. Any way the company objective is common to all, the main objective is maximization of profit and satisfy the needs of the stakeholders and the employees. Create better relationship with employee is increase overall performance within the organization and the outside the organization. Employee participation is very important because it help to decision making process and reduce the dispute within the organization. But most of the organizations are not allowed their employees in decision making process, it create communication gap between the employer and the employee. Through employee participation they can share their ideas to the management, open communication creates good working environment.

## 2 LITERATURE REVIEW

Avinash Advani, Saba Gulzar (2016) they stated that employee participation is one of the influencing factors of job satisfaction and it create communication gap between the management and the employee. If the management provide proper system to the employee they can feel free and they can participated in organization's decision making process. Increase communication with the employee and management, conduct meeting with employees help to achieve the organizational goals.

Dr. Shashwat Shukla (2017) according to this many ways are available for participation of employee in management for the better growth of multinational organization. The policies have equal importance but it differ based on individuals, employees, religion, location of organization etc.

Lucy Kagwiria Kuria (2017) this study explained that four dimensions of employee participation such as employee consultation, delegation, joint decision making and collective bargaining. Positive increase of the employee consultation increases the organizational performance.

Oluyinka Solomon, Noor Hazarina Hashim, Zohreh B.T. Mehdi, Musibau Akintunde Ajagbe (2012) they stated that incentive system and employee motivation has a significant relationship, both system has to improve the employee productivity and has a positive correlation. So all companies has adopted these strategies it will help to improve employee productivity and organizational performance.

Komal Khalid Bhatti (2013) according to this employee interaction, issue related discussions with employee and better work environment has help to the management to increase the level of organizational commitment.

Annette van den Berga,b, Arjen van Witteloostuijna,b,c, Christophe Boonea & Olivier Van der Brempta (2011) they stated that firm's performance has an effect on worker participation. Worker involvement is to indicate the firm's performance.

Adam Seth Litwin, Adrienne E. Eaton (2016) they explained that worker participation has help to shape the organizational performance.

Lawrence Wainaina, Dr. Mike Iravo, Dr. Anthony Waititu (2014) they stated that employee participation increase the level of decision making also employee participation in decision making increases the organizational commitment.

### 3 EMPLOYEE

Employee is the 'capital' of the Organization so it is denoted by "human capital", so the management has to follow motivational systems for their employee it create forward thinking of the employee life and they give best to the company. Effective motivational system like training, compensation, extra pay for over time, incentives and family welfare schemes give higher employee productivity and it help to attain organizational goal. Motivational factors help the employees for teamwork, co-ordination with each other and it improve their personal skills.

### 4 EMPLOYEE PARTICIPATION

Employee participation is they are involved in decision making process and involve in some other area whereby they are working. Employee participation improves the morale of the employee and they can attain job satisfaction. High-involvement of employee creates positive attitudes, trust and organizational commitment also they can enjoy with their work. High-involvement of employee is creates positive thoughts towards employee morale, employee retention and it will increase the company's financial performance. By encouraging employee they can take ownership of the business, automatically it will promote the loyalty of the company and increase the productivity. Employee survey, gathering information through suggestion box also create involvement towards the organization. Some of the employees are working with highly involvement without any expectation, so management has to identify such type of employee and give reward based on their category. It will improve the loyalty of the employee and increase the employee participation.

### 5 ORGANIZATIONAL CULTURE

Organizational culture is varying to organization to organization such as government organization, educational institutions, companies, non- profit organization and MNC's. Organizational culture is essential for the growth of organization and employee productivity. Healthy organizational culture leads to increased organizational performance. Organizational culture includes present and future expectations, experiences and values, interactions with the outsiders, attitudes, beliefs and customs. The work environment of the organization has many dimensions present situation, psychological factor both inside and outside environment. Management support, heads support, colleague support and team cooperation increase the workers participation. Employee survey is one of the most common way of improve the organizational culture, it shaping the working behaviour of employee. A strong organizational culture is useful for employee, employer and its stakeholders, due to weak culture employees have difficult in understanding, learning and explaining. It helps to achieve organization goals, vision and mission, high employee motivation increase the loyalty and encouraging coordination within the company.



MOTIVATION

Employee motivation brings energy, creativity and commitment towards their work, motivate employee is always work for the management with trust. Low motivation is creates some problems like discouragement and disinterest, high motivation create smooth working condition and increase the productivity of the organization also it reduce the stress level of the employee.

6 OBJECTIVES OF THE STUDY

- a. To identify the influencing factor of employee participation.
- b. To identify the employee performance.

7 SCOPE OF THE STUDY

Scope of this study is to identify the influencing factor of employee participation and identify the employee performance. This study helps to the organization for employee participation in decision making process.

8 HYPOTHESIS

- H0: There is no significant relationship between employee participation and organizational culture.
- H1: There is a significant relationship between employee participation and organizational culture.

9 METHODOLOGY

The primary data has been collected from 50 employees through questionnaire they are working in different companies. Secondary data has been collected from internet and articles. A master table was prepared with the help of collected data, tables were prepared and the data taken for analysis. Chi-Square test and one way ANOVA applied for this study. Employee participation rated on 5 point likert scale ranging from strongly agree, agree, Neutral, Strongly disagree and disagree.

ANALYSIS:-

Table 1: Demographic profile

Variable	Frequency	Percentage
Age		
21-30	13	26
31-50	35	70
Above 50	2	4
Total	50	100
Educational Qualification		
Graduate	23	46
Post graduate	11	22
Other	16	32
Total	50	100
Work experience		
Less than 3 years	12	24
3-5 years	19	38
5-10 years	15	30
Above 10 years	4	8
Total	50	100
Annual Income		
Less than 3,00,000	26	52
Rs.3,00,000 to Rs.5,00,000	19	38
Above 5,00,000	5	10
Total	50	100
Marital status		
Married	39	78
Single	11	22
Total	50	100

Source: Primary Data

Interpretation

Table 1 is the demographic profile of the respondents 26% of the respondents are 21- 30 age group, 70% of the respondents are 31-50 age group, only 4% of the respondents are above 50 age group, under educational qualification wise distribution 46% of the respondents are graduate, 22% of the respondents are post graduate and 32% of the respondents are other category, under work experience 24% of the respondents are less than 3 years' experience 38% of the respondents are 3-5 years' experience, 30% of the respondents are 5-10 years' experience and 8% of the respondents are above 10 years' experience. It is observed that majority of the respondents are 3-5 years' experience. Annual income wise distribution 52% of the respondents are less than 3 lakhs income group 38% of the respondents are 3-5 lakhs income group, 10% of the respondents are above 5 lakhs income group. It is observed that majority of the respondents are less than three lakhs income group. Under marital status 78% of the respondents are married, 22% of the respondents are unmarried. It is observed that majority of the respondents are married.

Table 2: Respondents based on Organizational culture and Employee participation

S. N	Particulars	SA		A		N		DA		SDA	
		No	%	No	%	No	%	No	%	No	%
1	Involvement in decision making process	2	4	5	10	3	6	13	26	27	54
2	Involvement in management process	5	10	9	18	2	4	23	46	11	22
3	Incentives based on performance and work	2	4	13	26	9	18	21	42	5	10
4	Follows Performance appraisal for evaluating employee performance	19	38	12	24	3	6	9	18	7	14
5	I am satisfied with this job	8	16	11	22	1	2	18	36	12	24

Source: Primary Data

Interpretation

Table 2 shows organizational culture and employee participation, based on this study some of the companies only allowed their employees for decision making process and majority of the companies are not allowed them for their decision making process 4 % of respondents are strongly agree, 10% of respondents are agree, 6 % of respondents are neutral, 26 % of respondents are disagree, 54% of respondents are strongly disagree. Involvement in management process majority of the companies are not allowed their employee in their management process, 46% of the respondents are disagree and 22% of the respondents are strongly disagree. Incentives based on performance and works 42% of the respondents are disagree and 10% of the respondents are strongly disagree. It is observed that most of the companies are not giving proper incentives based on their work. Follows Performance appraisal for evaluating employee performance 38% of the respondents are strongly agreed and 24% of the respondents are agreeing their company follow performance appraisal for evaluating performance of their employee. Under satisfaction of job majority of the employees are not satisfied about their present job 36% of the respondents are disagree, 24% of the respondents are strongly dis - agree. It is observed that majority of the respondents are not satisfied about their job.

CHI -SQUARE TEST

PARTICULARS	SA	AGREE	NEUTRAL	DA	SDA
Involvement in decision making process	4 (14.40) [7.51]	10 (20.00) [5.00]	6 (7.20) [0.20]	26 (33.60) [1.72]	54 (24.80) [34.38]
Involvement in management process	10 (14.40) [1.34]	18 (20.00) [0.20]	4 (7.20) [1.42]	46 (33.60) [4.58]	22 (24.80) [0.32]
Incentives based on performance and work	4 (14.40) [7.51]	26 (20.00) [1.80]	18 (7.20) [16.20]	42 (33.60) [2.10]	10 (24.80) [8.83]
Follows Performance appraisal for evaluating employee performance	38 (14.40) [38.68]	24 (20.00) [0.80]	6 (7.20) [0.20]	18 (33.60) [7.24]	14 (24.80) [4.70]
I am satisfied with this job	16 (14.40) [0.18]	22 (20.00) [0.20]	2 (7.20) [3.76]	36 (33.60) [0.17]	24 (24.80) [0.03]

The chi-square test value is 149.0676. The p-value is < 0.00001. The result is significant at p < .05.

CALCULATION OF ONE WAY ANOVA

Summary of Data						
	Treatments					
	1	2	3	4	5	Total
N	5	5	5	5	5	25
ΣX	100	100	100	100	100	500
Mean	20	20	20	20	20	20
ΣX <sup>2</sup>	3744	3040	2880	2576	2616	14856
Std. Dev	20.8806	16.1245	14.8324	12	12.4097	14.2244

Result Details				
Source	SS	df	MS	
Between-treatments	0	4	0	F = 0
Within-treatments	4856	20	242.8	
Total	4856	24		

The Std. Dev is 14.2244, The f-ratio value is 0. The p-value is 1. The result is not significant at p < .05.

Std.Dev of Involvement in decision making process is 20.8806, Std.Dev of Involvement in management process is 16.1245, Std.Dev of Incentives based on performance and work is 14.8324, Std.Dev of follows Performance appraisal for evaluating employee performance is 12, Std.Dev of I am satisfied with this job is 12.4097.

10 FINDINGS AND CONCLUSION

Employee participation is one of the way to the growth of organization, there are number of ways are available for participation of employees in management for their growth. Some of the companies are follow policies for employee participation for their decision making process and management process. Most of the MNC companies are following the policies for their development and growth but it is differ based on employee type, company size and location of the company.

According to this study some of the companies only allow their employees to involve in their decision making process and management process. Employee participation is one of the ways of Job satisfaction, company has to allow the employee in their management process it has increase the productivity and increase the trust level. Employee participation is one of the influencing factors of job satisfaction and it creates strong relationship between management and employee. Most of the companies having communication gap between employer and employee. Employee participation help to reduce communication gap between employer and employee. If it is possible they can feel free to participate in management process. Organization encourage team work and increase communication with the workers through conduct meeting and training programme so the employees can share their views with the management the valuable ideas helps to achieve the organization goals. Organization has to create good working environment, conduct training programme to improve the workers skill and motivate them based on their work, incentives based on work, organize meeting with the employee, delegation of work, allow the employee to participate in management process. It will helpful to the organization to achieve its objectives and increase the productivity.

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