



PARTICIPATION OF EMPLOYEES IN IMPORTANT DECISIONS OF THE COMPANY AND ITS INFLUENCE ON THE GROWTH OF THE COMPANY

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Abstract

Introduction: employee involvement in the decision-Making process of a company is an important aspect, which needs to be promoted in India for better outcomes for organisations

Literature Review: Identify the advantage of employee involvement in the decision-making process of a company, the challenges that can be seen in this process and the way to improve employee engagement in the organisation elaborated in this part.

Material and methods: Primary quantitative methods have been done and a survey has conducted to gather information

Significance of the study: Companies often struggle to find the time to involve employees while also meeting business demands and deadlines. In this study, the discussion of the importance of employee involvement and the way to implement it is able to help to find the mitigation strategies for such challenges.

Findings: Survey analysis has allowed for the determination of the results. 3 demographic and 7 variable-related questions have been highlighted. SPSS software has been used to analyse collected data statistically.

Conclusion: The importance of employee participation in the decision-making process of an organisation to improve the performance of the organisation

Keywords: *Employee engagement, innovation, quality work, decision making, communication*

1. Introduction

The development of an organisation is primarily based on the hard work of the employees and the strategic planning of the management. In order to improve the working condition in an organisation in India, involving all the employees in making productive decisions is suggestively a strong move by leaders (Al-Dabbagh, 2020). It has been found that involving employees in making organisational decisions can bring up

various new ideas and increase diversity in the growth arrangement of the company. Fixing goals and working towards them can become easy through the involvement of all employees in decision planning (Adu-Gyamfi et al. 2021). It is possible as they are able to see the hard work company leaders have to face in putting a target for profit at the end of the year.

The involvement of employees in the company decisions making process is able to help them connect with each and

also understand the role of leaders in the growth perspective. The relationship between all the stakeholders of a company can be strength in an effective manner

through the involvement is almost all essential company steps (Al Harrasi, 2020).

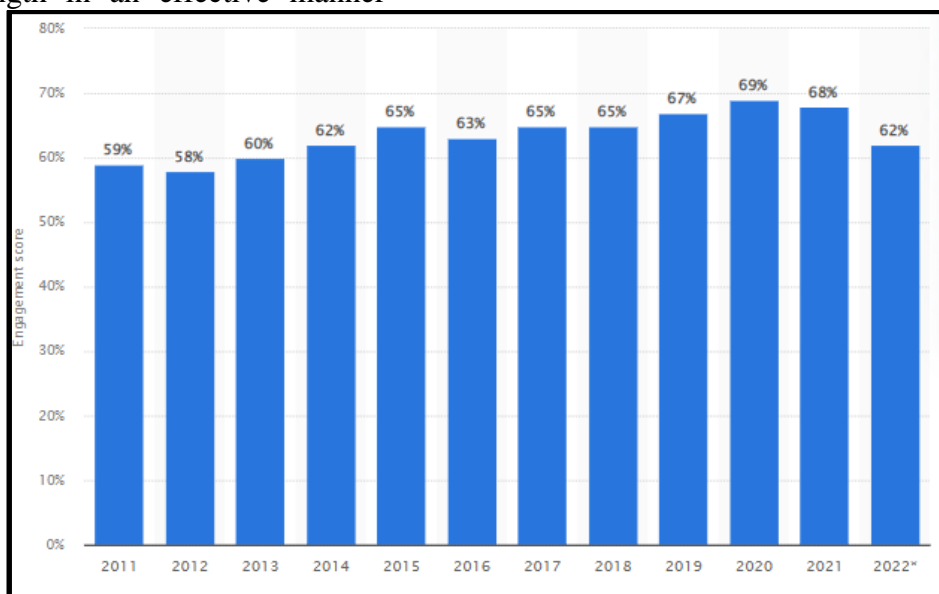


Figure 1.1: Engaging trend shown by employees globally from 2011 to 2022

(Source: Statista, 2023)

Figure 1.1 has showcased the engagement of employees across the globe from 2011 to 2022. The graph showcased that, in 2021 the rate of employee engagement globally was high with a 68% margin. In 2022 the rate has dropped to 62% which has become the lowest margin of employee engagement rate ever touched since 2015 (Statista, 2023).

Aim

The target of this learning session is to discover the effect of employee involvement in making important decisions in a company.

Objectives

- To identify the advantages of an organisation due to the participation of employees in important decision making
- To understand the factors that influence employee participation in making decisions for a company
- To discover the consequences of involving employees in some

sensitive decision-making processes

- To recommend ways of improving employee engagement in an organisation for making better decisions

Research Questions

- How does employee involvement in making company decisions become beneficial for the company?
- Which factors are influencing employee participation in making decisions for a company?
- What are the challenges faced by companies in increasing employee engagement?
- How to increase the involvement of employees in making vital decisions in an organisation?

2. Literature Review

Discovering the advantages of companies through involving employees in important decision making

Involving employees in important decision-making processes can have several advantages for a company. In this context, Harini et al. (2020) explained, employees with the experience of working on the front lines of a business, often have valuable insights and perspectives. The perspectives of such experienced workers are able to serve a great purpose to the

company for making decisions which are able through their involvement. According to Paros (2021), companies can derive accurate knowledge and make more informed decisions by involving employees in the decision-making process. Involving employees in decision-making processes can help in establishing better communication relations among all workers. Improved communication in an organisation is able to help in increasing the collaborative work that has the ability to improve the quality of the outcome.



Figure 2.1: Employee participation in various aspects of a business

(Source: Influenced by Uwandu et al. 2022)

Involving employees is able to increase confidence in work as they feel valuable. Employees who are involved in decision-making processes are more likely to feel empowered to contribute new ideas and approaches (Uwandu et al. 2022). It has been found that, through the increased engagement of the employees in the decision-making process, the company can gain their trust. Therefore, involving employees in the important decision-making process is highly beneficial and effective.

Challenges faced by companies in increasing employee engagement

Involving employees in decision-making processes can have many benefits; however, the process of doing it is considerably tough and requires the

ideology of the leaders in a company. Here, Omorobi Omorobi et al. (2020) mentioned, involving employees in decision-making can be time-consuming, as the process involves a large number of people. Companies often struggle to find the time to involve employees while also meeting business demands and deadlines. It has also been found that many leaders mostly fear losing control or a dilution of their authority by involving employees in decision-making (James et al. 2022). Such leaders are often reluctant to share decision-making power or delegate responsibility. Many employees lack the necessary expertise and leaders often do not trust such employees in case of making important decisions for organisational development.

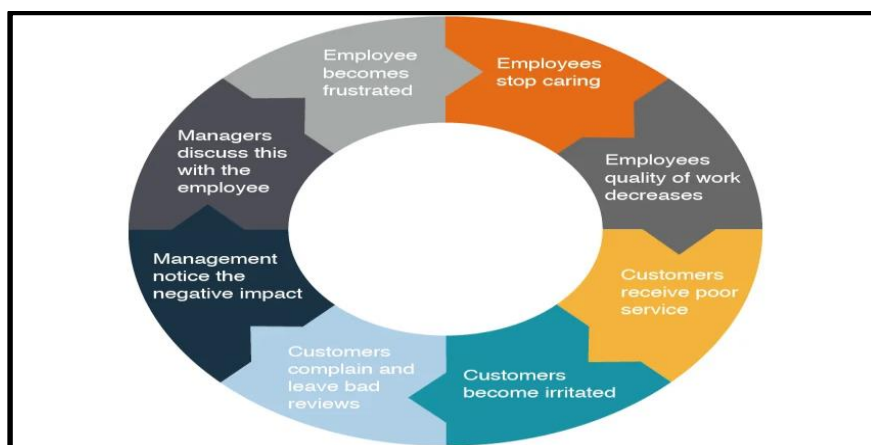


Figure 2.2: Employee engagement-related challenges and the improvement process

(Source: Influence by James et al. 2022)

It has been found some employees face challenges in adopting change in an organisation which opposes the initiative by a company of involving them in decision-making. Similarly, companies with a hierarchical structure can have rigid decision-making processes that make it hard to involve employees at lower levels (Buthelezi & Ajani, 2022). Therefore, it has been found that companies which are able to overcome such obstacles are likely to be more successful in the long run by involving employees in the decision-making process.

Evaluation of the ways to improve the employee engagement process in an organisation

Employee engagement is a critical component for the emerging success of any organization. There are various ways to improve the employee engagement process in an organisation. In this context, Akhter et al. (2019) explained, regular communication with employees can help them feel more connected to the organization and its goals. This is able to help them in engaging to work and the company matters according to the order form hierarchy. It has been found that

offering development opportunities to workers can increase their engagement in the workplace. Similarly, recognition and reward for good work can help in motivating them to engage more.

3. Methodology

Understanding the importance of employee involvement in making important decisions for a company is essential. In order to gather relevant information for a topic, choosing a suitable method can improve the quality of the research (Miller et al. 2021). It has been found, this study has gathered all the information regarding employee engagement in a company through the primary quantitative method. The information has gathered through the survey where people responded as per their views. Later, the responses of the participants have analysed through the use of SPSS software. Getting the numerical data after analysis is able to help in narrowing down the results regarding the chosen topic in a status (Klein & Müller, 2019). Therefore, using the primary quantitative method has helped in increasing the efficiency of this study.

4. Findings

What is your Age?

	Frequency	Percent	Valid Percent	Cumulative Percent
	8	9.6	9.6	9.6
Above 45	26	31.3	31.3	41.0
Below 25	12	14.5	14.5	55.4
Valid Between 25 to 35	25	30.1	30.1	85.5
Between 35 to 45	12	14.5	14.5	100.0
Total	83	100.0	100.0	

Table 4.1: Identifying Age

Table 4.1 has reflected the age group of the participants where a maximum of 26 people were from the group above 45.

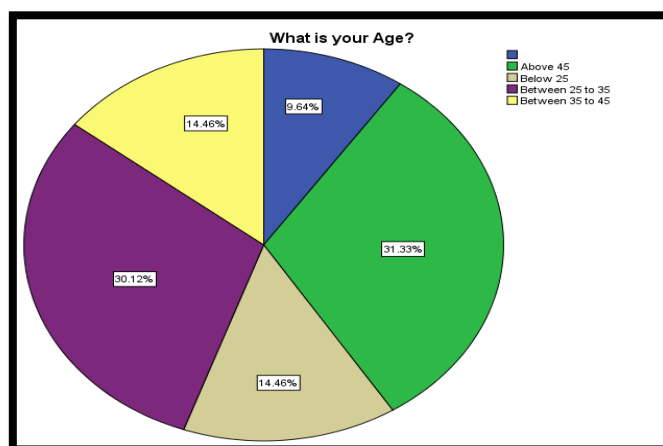


Figure 4.1: Identification of Age

Figure 4.1 depicted the age group of the participant in which 31.33% of the participants of the participant was belong to the age above 45.

What is your Gender?

	Frequency	Percent	Valid Percent	Cumulative Percent
	8	9.6	9.6	9.6
Female	25	30.1	30.1	39.8
Valid Male	38	45.8	45.8	85.5
Prefer not to say	12	14.5	14.5	100.0
Total	83	100.0	100.0	

Table 4.2: Identifying Gender

Table 4.2 has highlighted the gender of the participants of the survey. It is noticed that 25 females and 38 males participated in this research.

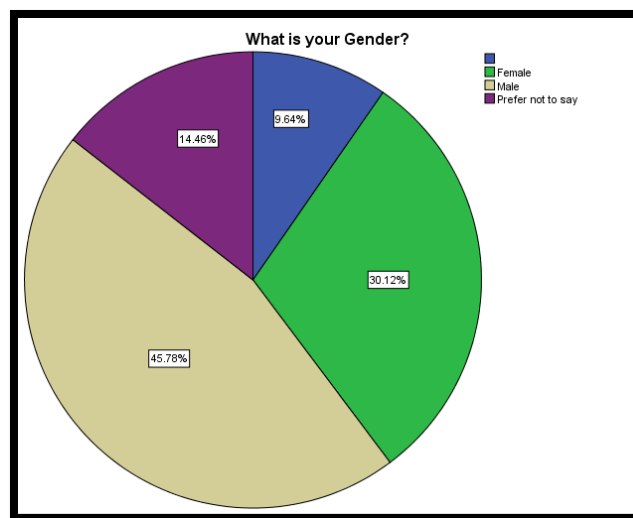


Figure 4.2: Identification of Gender

Figure 4.2 has helped in addressing the gender of the participants where 40.78% were male. 30.12% of the participant was female and 14.46% of participants preferred not to disclose their identity.

What is your income?

	Frequency	Percent	Valid Percent	Cumulative Percent
	8	9.6	9.6	9.6
Above 45000	12	14.5	14.5	24.1
Below 25000	12	14.5	14.5	38.6
Between 25000 to 35000	25	30.1	30.1	68.7
Between 35000 to 45000	26	31.3	31.3	100.0
Total	83	100.0	100.0	

Table 4.3: Income range

Table 4.3 has indicated the income of the participants where the maximum of 26 participants belonged between the Rs. 35000 to Rs. 45000 income range.

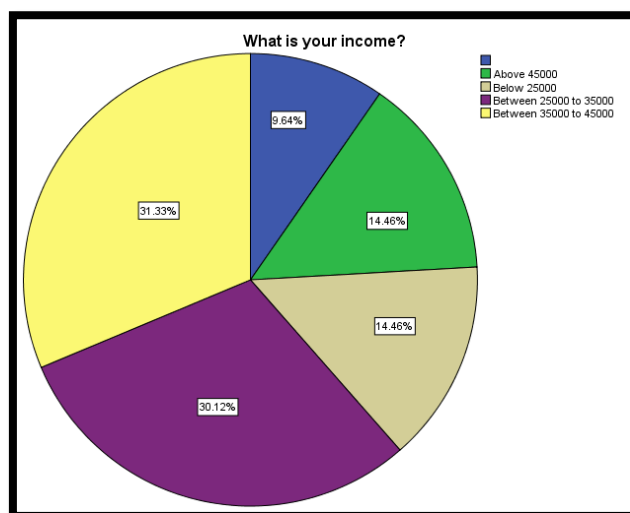


Figure 4.3: Income range

Figure 4.3 has highlighted the income range according to the participants in the survey. The maximum response rate is 31.33% from the income range between 35000 to 45000.

Descriptive Statistics

	N	Minimum	Maximum	Sum	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Employee participation in decision-making foster a culture of continuous improvement in an organisation	75	1	5	258	3.44	1.509	2.277	-.403	.277	-1.316	.548
Employee involvement in decision making can lead to increased productivity and innovation	75	1	5	258	3.44	1.509	2.277	-.403	.277	-1.316	.548
Employee participation in decision-making help to diversify the perspectives of work towards betterment	75	1	5	258	3.44	1.509	2.277	-.403	.277	-1.316	.548

Organizations can improve communication and build trust between management and staff through involving employees in important decisions	75	1	5	258	3.44	1.509	2.277	-.403	.277	-1.316	.548
Participatory decision-making can help to identify and address issues of an organisation	75	1	5	258	3.44	1.509	2.277	-.403	.277	-1.316	.548
Valid N (listwise)	75										

Table 4.4: Descriptive data analysis

Table 4.4 has reflected the descriptive analysis of data with the support of the variable in this study. The standard deviation of variables is 1.509.

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	1.000 ^a	1.000	1.000	.000	1.000	.	1	73	.	. ^b

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	168.480	1	168.480	.	. ^b
1 Residual	.000	73	.000		
Total	168.480	74			

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error				Beta	Lower Bound	Upper Bound	Tolerance
		1	(Constant)	.000			.000		.	.
	IV	1.000	.000	1.000	.	.	1.000	1.000	1.000	1.000

Table 4.5: Regression

Table 4.5 is the combination of three distinct tables showing the accurate information of the regression for employee participation in decision-making to diversify the perspectives of work. The Significant value of the factor is .000 and the tolerance value is 1.000

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	1.000 ^a	1.000	1.000	.000	1.000	.	1	73	.	. ^b

Table 4.6: Regression

Table 4.6 is the combination of three distinct tables showing the accurate information of the regression for employee participation in decision-making to build trust between management and staff. The Significant value of the factor is .000 and the mean value is 168.480

Model Summary^c

Mode 1	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	1.000 ^a	1.000	1.000	.000	1.000	.	1	73	.	. ^b

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	168.480	1	168.480	.	. ^b
	Residual	.000	73	.000		
	Total	168.480	74			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	.000	.000	.	.	.000	.000		
	IV	1.000	.000	1.000	.	1.000	1.000	1.000	1.000

Table 4.7: Regression

Table 4.7 is the combination of three distinct tables showing the accurate information of the regression for employee participation in decision-making to build trust between management and staff. The Significant value of the factor is .000 and the Durbin-Watson value is .000

1

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	1.000 ^a	1.000	1.000	.000	1.000	.	1	73	.	. ^b

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	168.480	1	168.480	.	. ^b
	Residual	.000	73	.000		
	Total	168.480	74			

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error				Lower Bound	Upper Bound	Tolerance	VIF
		1	(Constant)	.000	.000	.	.	.000	.000	
	IV	1.000	.000	1.000	.	1.000	1.000	1.000	1.000	

Table: 4.8: Regression

Table 4.8 is the combination of three distinct tables showing the accurate information of the regression for employee participation in decision-making to identify and address issues of an organisation. The Significant value of the factor is .000 and the Durbin-Watson value is .000

5. Discussion

Increasing employee engagement requires a concerted effort from leaders and managers. According to Al Harrasi (2020), involving employees in important decision-making processes can help create a more engaged, innovative, and collaborative workforce. Employee involvement in the workplace leads to better outcomes for the company as a whole. Increasing the involvement of employees in an organisation helps in increasing productivity and innovation rate (Harini et al. 2020). Using the ideas of the member of all teams in an organisation is able to improve the quality of serious organisational planning. As opined by

Paros (2021), in order to increase the engagement of employees in the organizational decision-making process, leaders play the most important role. Through proper communication, leaders are able to motivate the workers and encourage them to share their views. Leaders need to provide updates on company news and goals and encourage employees to ask questions and provide feedback. This is able to understand the area of interest of individual employees.

It is true that increasing employee engagement in decision-making is another vital aspect of a company. However, challenges can be seen in this process of involving employees in the

decision-making field of a company (Uwandu et al. 2022). The absence of effective leadership is able to reduce the chance of the involvement of employees as they do not gather enough confidence in this process. On the other hand, Some leaders may not trust their employees to make important decisions due to the belief that their employees lack the necessary expertise (James et al. 2022). Making decisions for an organization depends on various factors such as the economical condition of the company, social status, and political relief. Lack of knowledge regarding the company operations through managing all the vital aspects can hinder the effective participation of the employees (Akhter et al. 2019). Therefore, it has been found, the involvement of employees in making decisions for an organisation is helpful although it is challenging. Companies need to focus on employee engagement to mitigate the challenges effectively.

6. Conclusion

The involvement of employees in the decision-making process of an organisation shows that their opinion is valued and trusted. This sense helps in developing a responsibility among workers that make them more dedicated towards work. In the process of making decisions by a company, involvement of employees is able to discover various innovative and unique ideas. New ideas by the employees can help an origination to reform its goal towards better future performance. However, some of the challenges are can in the process of engaging employees in the decision-making process of the company. In order to mitigate the challenges effectively, company leaders need to focus on the strategic approach to dealing with employees.

In order to increase the involvement of the employees in company operational decisions, promoting effective communication is essential. Through

effective communication, the company can make employees feel more connected to the organization and its goals (Buthelezi & Ajani, 2022). Leadership roles need to be strengthened for motivating all employees. On the other hand, educating the employee can increase their spontaneous involvement and increase their engagement in growth-oriented tasks (Karl et al. 2020). It has been found, a positive work environment can help employees feel more engaged and motivated. This can include things like encouraging teamwork, promoting work-life balance, and creating a culture of respect and appreciation. Hence, applying the mentioned suggestion is able to improve the relationship of an organization with employees that encourage employees to get involved in the decision-making process and any other important activity of the company.

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