EMPLOYEE INVOLVEMENT AND JOB PERFORMANCE: EVIDENCE FROM EURO GLOBAL FOOD AND DISTILLERIES, OTTA, OGUN STATE

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Abstract: The inability of organizations to imbibe the culture of involving employees in decision making process is affecting employees job performance. The study examined the effect of employee involvement on job performance in Euro Global Distilleries Otta, Ogun State. The study adopted the descriptive survey research design, the population of the study is one hundred and fifty (150), Krejcie and Morgan sample size determination formular was used to determine a sample size of one hundred and eight (108) respondents. Purposive sampling technique was used and two hypotheses were tested with ordinary least square using S.P.S.S 23.0 version. The result revealed that participation in work decision and representative participation account for 59.6% and 72.5% of quality of work and achievement of set targets respectively. The P values of the two hypotheses tested were less than 0.05 level of significance. Therefore the two null hypotheses were rejected and the alternative hypotheses accepted. The study recommended that employers should encourage employee involvement and expand it to include more workers involving them in broader array of issues to meet their expectations and address vital concerns of all employees.

Keywords: Employeeinvolvement, Jobperformance, Participativedecisionmaking, Representative participation, Quality of work.

1. INTRODUCTION

Increased competition and new technological innovations in the last two decades, has made it imperative for management of organizations to become dynamic and engage in various forms of employee involvement in order to enhance job performance. Bhuiyan (2014) opined that employee involvement is a process involving participation, communication, decision making which leads to industrial democracy and improved job performance. Employee involvement has been conceptualized as a set of activities that enable workers to develop a feeling of ownership and responsibility towards the organization and it enables workers to take part in problem decision making and information processing, (Towett, 2016). Robinson (2014) opined that employee involvement can be described as the positive attitude that a worker has towards the values of an organization which drives productivity and has great link with employees job performance. It is all about creating an enabling environment in which individuals have an impact on actions and decisions that influence their
occupations. Kuye and Sulaimon (2011) contended that workers involvement means creating opportunity under suitable condition for people to influence the decisions that affect them. It is a special case of delegation in which the subordinate gains control and has greater freedom of choice with respect to bridging the communication gap between the management and workers. This serves to create a sense of belonging among the workers as well as a conducive environment in which the workers will contribute to management efforts and job performance in the organization.

It constitutes concerted efforts by employers to find participative ways in which individual can contribute to decisions that affect their jobs. Macey and Schneider (2016) opined that there is a body of evidence to prove that employee involvement in decision making is a key driver of job performance. This study therefore aims at investigating employee involvement and job performance in Euro Global Distilleries, Otta, Ogun State.

1.1 Statement of the problem

The inability of management in organizations to engage in various forms of employee involvement and participation is affecting job performance. Increased competition arising in both local and international markets is responsible for the renewed interest in various form of employee involvement and participation. It has been argued that this rejuvenated interest is part of the number of organizational change being trailed to organizations inclusive of the food and beverage industry, which is affecting industrial harmony in industries, (Addai, 2013).

Previous studies (Gollan and Wilkinson, 2014; Kim, McDuffle and Pil, 2015; Bhuiyan, 2017) have been carried out on employee involvement, but little has been done to examine the effect of employee involvement on job performance in Nigerian food and beverage industry. Over the years employees have identified that an organizational culture that lack employee involvement in organizational initiatives as responsible for hampering job performance, (Kiamabti, Kiio and Toweett, 2013). Fashoyin (2015) suggested that workers involvement in management decision making will reduce industrial conflict, raise workers productivity ensure rapid grievance procedure and enhance job performance. It is on this premise that this study set out to examine the effect of employee involvement on job performance using Euro Global Distilleries as a point of reference.

1.2 Research objectives

The main objective is to examine the effect of employee involvement on job performance. Other specific objectives include,

i. To examine the effect of participation in work decisions on quality of work.

ii. To find out the effect of representative participation on achievement of set targets.

1.3 Research questions

i. What is the effect of participation in work decisions on quality of work?

ii. To what extent would representative participation affect achievement on set targets?

1.4 Research hypotheses

Ho1: Participation in work decisions has no significant effect on quality of work.

Ho2: Representative participation has no significant effect on achievement of set target.

2. LITERATURE REVIEW

Recently there has been a renewed interest in various forms of employee involvement and participation, such involvement has retained its place on the management agenda (Frost,2014). Employees involvement is rather the goal nor a tool as practice in many countries. Rather it is a management and leadership philosophy regarding how employees are most enabled to contribute to continuous improvement and on – going success of their work. That is a process which allows employees to exert some influence over their work and the conditions under which they work (lin, 2016). Gonzales (2015) opined that employees involvement also called workers participation can be perceived as a variety of processes and structures which enable and at times encourage employees to directly and indirectly contribute to and influence decision making in the firm and in the wider society.
A number of models measuring employees' involvement and participation have been developed over the past decades. One of the most important seem to be a model presented by Marchington (2015). He identified four core aspects of employee participation within the company.

1. The degree of involvement – this indicates the extent of involvement to which employees either directly or through their representative may exert some form of influence on management decisions.

2. Scope - the scope of management decisions that are open to influence by subordinate employees may differ depending on the subject matter and may range from trivial to strategic decisions.

3. The level – the level at which the subordinates may be involved in management decisions varies substantially and can range from departmental level through to division and head level.

4. Forms of participation – participation may be direct or indirect. Direct participation refers to the face-to-face involvement while indirect participation occurs when workers are represented by trade union workers council or high level consultant committee and through collective bargaining.

Cotton, David, & Kirik (2014) identified different forms of employee involvement in decision making and they realized that six different combinations proved to be prominent which are:

- **Participation in work decisions**
  - • Formal
  - • Direct
  - • Long-term
  - • Influence: high to very high
    - • Formal
    - • Indirect

- **Employee ownership**
  - • Length: depends on how long the stock is held
  - • Influence: level of influence employees can have is usually determined by their involvement in stock holder meetings.

- **Representative participation**
  - • Formal
  - • Indirect
  - • Length: can be both long term and short term
  - • Influence: medium to low due to indirect participation

- **Consultative participation**
  - • Formal
  - • Direct
  - • Long term
  - • Influence: depends on amount of participation in meetings such as quality circles
    - • Informal
    - • Direct

- **Informal participation**
  - • Length: based on relationship employees have with supervisors
  - • Influence: varied levels of influence; which are determined by the strength of the relationships between supervisors and their subordinates
    - • Formal
    - • Direct

- **Short term participation**
  - • Short – term
  - • Influence: depends on the amount of participation power given to employees by management

**Participation in work decisions**

It is the form of participation where employees have a high influence on the decision made. It involves formal and direct means where employees participate in decisions concerning the organization directly.
Employee ownership

This is one of the formal ways of making employees participate in decision making. It involves making them to be part of financial owners of the organization usually through equality shares. Employee ownership as a form of participatory decision making serves as an intrinsic and extrinsic form of motivation.

Consultative participation

It is a formal means where employees can take part in decision making. This is usually done through the use of quality circles. Quality circles are seen as a group of employees from different levels of a company who meet regularly to discuss ways of improving quality and to resolve problems related to production.

Representative participation

This is where employees elect executives or some members to represent their interest in management meetings. With representative participation employees participate in decision through their selected executives with this form of participation employees input and grievances are made known through their representative. Representative participation is an indirect form of participation because not all workers participate directly in the decision making. Unions are the most used type of representative participation.

Informal participation

This takes place through interpersonal relationship between lower management with a strong personal relationship with superiors, employees can indirectly make some contributions on decisions taken by management.

Short-term participation

Short term participation is seen as an informal participation which mostly consist of rare events in which an employee can participate.

Another model was developed by Cox, Zagelmeyer and Marchington (2015). This model identified two dimensions of employee involvement, that is breadth and depth.

Breadth has to do with a number of various employee involvements practices and programmes implemented in a work place. Using diversified but complementary schemes of employee participation leads to stronger impact on the company through mutual reinforcement. It also indicates that the management team aims to maximize profit of employee participation. In turn depth concerns the quality of employee involvement practices with the company. This measure indicates how embedded the employee participation practices are within the company.

Hayman and Mason (2015) opine that both breadth and depth are important as they are strongly linked with organizational commitment and job performance. That is if employees view are taken into consideration and acted upon by the management then they are more likely to demonstrate their commitment to the organization and indicate their satisfaction with their work. The major weakness of this measure is that the embeddedness of employees participation within the organization has often been assessed through management eyes rather than by analyzing employee views on employee participation. However for this study participation in work decisions and representative participation will be used to measure employee involvement because it has been frequently used in studies carried out in the manufacturing sector.

Job performance:

Performance is one of the most broadly and extensively used dependent variable in organizational studies today and yet at the same time, it remains one of the most imprecise and loosely defined construct. (Roger & Wright, 2012). According to Motowidlo and Schmidt (1997) job performance refers to the values and overall benefits that an organizations derives from an employee in a specific period of time. Carison (2016) defined job performance as the completion of activities by employees in a prescribed measurement standard as set by management while utilizing resources in a dynamic environment.

Cook and Hunksaer (2014) opined that performance refers to those attitudes that have been assessed or measured as to the contribution to organizational goals.
The concept of performance has also been expressed by Brumbrach (2014) as follow performance means both behaviours and result. Behaviour emanate from the performance and transform performance abstraction to action. Not just the instrument for results, behaviours are also outcome in their own right the product of mental and physical effort applied to task and can be judged apart from the results. This definition of performance leads to the conclusion that when managing performance both inputs (behaviours) and outputs (results) need to be considered. It is not a question of simply considering the achievement of targets as used to happen in management by objective schemes competency factors need to be included in the process, (Armstrong, 2006). Campbell (2015) opined that performance as behaviour or action is relevant to the attainment of an organization goal that can be scaled that is measured. Other studies reference various objective measures for evaluating firm performance such as financial and market indicators. However for this study job performance would be measured using (i) Quality of work (ii) Achievement on set targets, because these indicators are the most suitable for the manufacturing sector.

2.1 Theoretical review

The theories reviewed include the following

1. Theory X and Y (1906) by Douglas McGregor
2. Herzberg two factor theory (1959) by Fredrick Herzberg

Theory X and Y – at the time McGregor was thinking about this theory he had two assumptions about human nature. The first assumption was that by nature some employees are to be led while others are to lead. According to McGregor the people to be led should come under theory X and while the second assumption was that man is not as lazy as theory X suggest and that work is as natural as play or enjoyment is to man but the difficult thing is that unfavourable working conditions which man finds himself. Douglas McGregor in his theory states that people or even managers have varying feature and characteristics and they appear different from each other. He was interested with the effect of different forms of management styles and traits would have on the efficiency and productivity of workers. He stated that there are different leadership traits and that these traits and styles must have certain impact on workers both positive and negative. McGregor opined that an autocratic and bureaucratic leader believes that man cannot act and work without supervision. According to McGregor managers who believe in theory X or who are autocratic and rigid in their approach agree that man is inherently lazy, Indolent and has no time for work. For him to work, he must be forced, coerced and if necessary punished. Theory X manager views man as irresponsible and only interested in filling his stomach.

Main features of theory X

i. Theory X people are indolent and unwilling to work except force to do so.
ii. They do not genuinely know what is good for them.
iii. They are generally lazy
iv. They love pleasure and are unwilling to create
v. They require force to switch to action
vi. They shy away from challenges and competition

Theory Y: McGregor later realized that theory X does not hold true when universally applied. He then profounded an alternative theory called theory Y. According to McGregor, managers who employ democratic, participative, consultative leadership method are those that believe that employees are sensible and hardworking, ready to accept responsibility growth and who are not indifferent but react positively towards organizational change.

Features and points to note in theory Y

i. Men and women are loving and creative
ii. That most people would be more interested in work in a given situation.
iii. That all that matters to man is not only money. That working condition and relationship do count a lot.
iv. That recognition participation respect and fair play is man’s concern.

v. That talents and creative potential of man must be properly tapped and utilized.

vi. It discourages the use of force and coercion in order to achieve results.

vii. That man is above all social animals who love to live in a group rather than in isolation. Thus, from the above features and points, McGregor argues that man should be given enough room to perform, to create and to achieve by bringing into his job accepted measures of freedom.

Independence and opportunity. He discovered that an average man would perform to create and achieve by bringing to his job accepted measures of freedom, independence and opportunity. He discovered that an average man would perform and even strive to excel if properly mobilized and strengthened through the forces of opportunity, recognition and high morale.

**Herzberg two factor theory**

In the 1950’s at Pittsburgh, Herzberg perfected a theory of work motivation which he conducted. His ideas was to discover what motivate employees and to ascertain what they actually want in the work. He requested workers to narrate to him occasions when they found their job exceptionally good or bad.

According to Herzberg intrinsic factors tend to motivate while the extrinsic factors are hygiene factor that keeps an employee from being dissatisfied, they are satisfiers.

Herzberg opine that intrinsic and extrinsic factors may be divided into two which he code – named.

i. Motivators

ii. Hygiene factors.

The motivators are the intrinsic factors which determine or increase job satisfaction and motivate workers like.


The hygiene factors these are extrinsic factor which are element whose absence or inadequate in a job produced dissatisfaction. They are associated with the work context (work setting). They relate more to the environment in which people work than to the nature of work itself. Improving the hygiene factor will not motivate the workers it will only prevent them from being dissatisfied.

They include:

i. Organizational policies, ii. Quality of supervision, iii. Physical working conditions, iv. Salary, v. Relationship with peers

This study reviewed two theories that are relevant to this research work but Herzberg two factor theory was adopted to provide explanatory framework because he contended that employees are motivated with work that is challenging enough to fully utilize their ability by providing responsibilities and allowing them opportunities to participate in decision making.

**2.1.1 Empirical review**

Several empirical studies have been carried out to examine the effect of employee involvement on job performance for instance in a study conducted by Chesoli (2018) on employee involvement in decision making on performance of SME’S in Kitale Kenya, data was sourced from one hundred and twenty nine (129) employees, twenty seven (27) owner/managers of the randomly selected SMEs with aid of questionnaire the results revealed that overall employee participation in decision making had significant positive impact on organizational performance in the SME’S. The study further revealed that Kenya SME’s should pay attentions to human resource management practices which they have largely ignored in the course of running their businesses. Increasing employee involvement in decision making will impact positively on their growth and potential for survival.

Lawrence, Malefane and Pierfe (2014) study on employee involvement in decision making: A case at one university of technology in South Africa the study revealed that there is a notable and overwhelming agreement that there seen to be a lack of employees involvement in decision making at this institution as illustrated by the majority of the respondent reporting a perception that they are not involved in decision making in all dimensions employees could be. The study further
revealed that the institution is not creating an environment where employee share ideas which enhances innovation and creativity. According to the study this has negatively affected employees job satisfaction, motivation and productivity.

Guerro and Barrund (2011) study focused on high - involvement practices and their impact on French firms. The research was based on the questionnaire conducted amongst 180 large companies in France. Fifty seven percent (57%) of these companies originated in the industrial sector, while remaining forty three (43%) in the services sector., the study focused on four major HRM practices, namely empowerment, compensation, communication as well as training and skills development. The study revealed that for organizations to perform better, companies should put in place enriched and challenging activities in order to manage employee participation. Further the study postulated that the companies should promote open communication and power sharing amongst management and employees in order to develop participatory style of leadership as this study contributes to better HRM within the company and improved companies performance.

Kuye and Suliaman (2011) study on employee involvement in decision making and firms performance. The study revealed that to increase workers commitment and humanize the work place with the intention of improving firms performance and good citizenship behaviour managers need to have a high degree of employee involvement in decision making.

Sesil (2011) analyzed the impact of employee participation and group incentives on company’s performance in high technology industry in the UK. The research included one hundred and eighteen companies, primarily in electronics and engineering and concerned various aspects of employee participation such as quality involvement presence of union communication between employees and management strategic planning and establishment plan. Additionally, the researcher examined the bonuses for employee as a form of group incentives. The research revealed that bonuses, quality involvement had large positive effects on company’s outcomes, while other variables showed no impact on performance.

Grimsrud and Kvinge (2010) on productivity puzzles – should employee participation be an issue? The research took the form of perception studies in which respondents were asked to indicate whether different participation initiatives are believed to have an impact on different output measures. The study investigated various forms of representative participation, such as work councils, trade unions or joint management union committees. The study conducted on work councils amongst German companies revealed that these councils had a positive impact on labour productivity while they influence negatively company’s profitability. Similarly the analysis of the Japanese companies showed a positive correlation between trade unions and companies benefits while the research amongst the British companies demonstrated that trade unions had a negative impact on productivity growth as well as on climate of relations between managers and employee at the work place.

3. METHODOLOGY

In view of the nature and scope of this study this research is limited to Euro Global Food and Distilleries a subsidiary of Sona Group Of Companies, Ota, Ogun State.

The study adopted the survey research method, data were collected through questionnaire and it was formulated on a 4 points likert scale.

Purposive sampling technique was used. The validity of the research instrument was ascertained by experts in measurement and evaluation from the department of psychology and industrial relations and personnel management. The instrument was pilot tested using test – re-test method and the reliability coefficient 0.75 was obtained. The population of the study consist of 150 permanent employees and a sample size of one hundred and eight (108) was derived using krejie and morgan sample size determination formluar. One hundred and eight (108) copies of the questionnaire were administered and ninety two (92) copies were duly completed and returned while sixteen (16) copies were not usable. The study made use of ordinary least square in analyzing data using SPSS (23.0) version.

Hypothesis 1: Participation in work decisions has no significant effect on quality of work.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.772a</td>
<td>.596</td>
<td>.582</td>
<td>.606</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), PARDE

Novelty Journals
The result shows that there is a strong relationship of .772 (77.2%) between participation in work decisions and quality of work. The $R^2 (.596)$ shows that 59.6% of the variation in quality of work is brought about by participative decision making.

### ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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<tbody>
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<tr>
<td></td>
<td>Residual</td>
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<td>.367</td>
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<tr>
<td>Total</td>
<td></td>
<td>79.913</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: QUALWORK  
b. Predictor: (Constant), PARDE

### Coefficients

<table>
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<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
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<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.156</td>
</tr>
<tr>
<td></td>
<td>PARDEM</td>
<td>- .206</td>
</tr>
</tbody>
</table>

a. Dependent Variable: QUALWORK

This indicate the statistical significance of the regression model that was run shows that their is an inverse relationship between the predictor variable and the independent variable. The B-values of the indicator of (participation in work decisions) parde (-0.206) which shows that for every, I unit increase in the predictor variable the dependent variables will decrease by 0.206.

**Hypothesis 2: Representative participation has no significant effect on achievement of set targets.**

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
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<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
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<td>.725</td>
<td>.716</td>
<td>.757</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), REPART,

The result shows that there is a strong relationship of .852 (85.2%) between representative participation and achievement on set targets. The $R^2 (.725)$ shows that 72.5% of the variation is brought by representative participation.

### ANOVA

<table>
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<tr>
<th>Model</th>
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<th>Sig.</th>
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<tr>
<td>Total</td>
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<td>183.685</td>
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<td></td>
<td></td>
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</table>

a. Dependent Variable: ACHSETTARG  
b. Predictors: (Constant), REPART,

### Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
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<tr>
<td>1</td>
<td>(Constant)</td>
<td>.159</td>
</tr>
<tr>
<td></td>
<td>REPART</td>
<td>.038</td>
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</tbody>
</table>

a. Dependent Variable: ACHSETTARG
This indicate the statistical significance of the regression model that was run. Here P< 0.05 which indicates that overall the regression model statistically significantly predicts the outcome variable. The B-values of the indicator of representative participation are Repart (.031) which shows that for every, I unit increase in the predictor variable the dependent variable will increase by 0.031.

4. DISCUSSION OF RESULT

The study revealed that there is a 77.2% significant relationship between participation in work decisions and quality of work. It also revealed that participation in work decisions account for 59.6% of quality of work. The study further indicates that there is an inverse relationship between participation in work decisions and quality of work, because the B-value is negative which indicates that there are other factors that contribute to quality of work in Euro Global Food Distilleries.

The result of hypothesis two shows that there is a 85.2% significant relationship between representative participation and achievement on set targets. The study further revealed that representative participation account for 72.5% of achievement on set targets. The result corroborates with previous study (Heintzman and Marson, 2012) that found a significant relationship between employee involvement and job performance. The P values of the two hypothesis tested are P =.003, P =.001, P < 0.05 level of significance, therefore the two null hypotheses were rejected and the alternatives accepted.

5. CONCLUSION

The study has been able to establish that employee involvement (representative participation and participation in work decisions) contributes to job performance at Euro Global Food and Distilleries.

The study found that the independent variables made significant relative contribution to job performance. Therefore management of organizations should endeavour to involve their employees at various level of decision making in the organization, to give them a sense of belonging.

5.1 Recommendation

Based on the findings and conclusions drawn from this study the following recommendations were made.

1. Management of the organizations should encourage employees involvement and expand it to include more workers involving them in broader array of issues, to meet their expectation and address the vital concerns of all employees.

2. Continuous seminars and workshops concerning labour related matters such as employees’ involvement, participation should be held in an attempt to forge more compatible views values and perceptions among all stake holders within the organization.

3. Finally employers should be willing and prepared to accept high level decision making by workers within the organizations, involvement should not be restricted to low and middle level involvement in order to enhance job performance.

5.2 Suggestion for further studies.

The study suggest that further studies should be conducted on employee involvement in other sectors using other indicators of employee involvement and job performance.

REFERENCES


