



**ADDIS ABABA UNIVERSITY**  
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**Department of Business Administration**

**Role of Participative Decision–Making in Improving Employees’ Commitment  
towards Organizational Goal: The Case of Unilever Ethiopia.**

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*A Thesis submitted to Addis Ababa University college of Business and Economics,  
Graduate Studies in partial Fulfilment of the Requirements for the Degree of Master in  
Business Administration.*


**Addis Ababa  
Ethiopia  
2020**

## Declaration

I, Delfen Vazan hereby declare that the thesis entitled: *Role of Participative Decision-Making in Improving Employees' Commitment towards Organizational Goal: the Case of Unilever Ethiopia* is my own original work and has not been submitted for any degree in any other university. It is offered for the award of the degree of master's in business administration (MBA).

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Signature

A handwritten signature in black ink, appearing to read 'Delfen Vazan', written over a horizontal line.

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Signature \_\_\_\_\_

## Statement of Certification

This is to certify that the thesis prepared by Delfen Vazan entitled: *Role of Participative Decision-Making in Improving Employees' Commitment towards Organizational Goal: The Case of Unilever Ethiopia* and submitted in partial fulfillment of the requirements for the degree of Master of Business Administration compiles with the regulations of the university and meets the accepted standards with respect to originality and quality.

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## **Acknowledgments**

First of all, I would like to thank the Almighty God for his mercy, unconditional love, guidance, inspiration and all blessings in my life.

During this research, many individuals and institutions provided me great support and guidance which helped me to complete this study successfully. I would like to express my sincere thanks to Addis Ababa University for providing me the opportunity to undertake my MBA study.

My sincere thanks to the principal supervisor, Dr. Ethiopia Legesse, who guided me throughout this research study. I greatly acknowledge her support, guidance and contribution throughout this study.

I have been taught the importance of education and value of knowledge by parents in the very early stage of my life. They provided me the education and great opportunities, and I will always remain grateful for them.

Finally, I would like to thank my Husband who had supported me morally throughout my research study, he has been a source of encouragement and strength. His support and assistance throughout my research made my life easier. I sincerely thank him for his love, support, patience and understanding while I worked on this research study.

**Delfen Vazan**

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## **Acronyms**

PM:	Participative management.
PDM:	Participative Decision Making
EM:	Employees commitment
EP:	Employees participation
VIF:	Variance inflation factor
EC:	Employee commitment
PRT:	Participation Extent
MM:	Management Mechanism
CPDM:	Challenges in participative decision making
PDMC:	Participative Decision Making and Challenges
MGMT-M:	Management Mechanisms
PRTCPTN:	Participation
SPSS:	Statistical Software packages for Social Science

## **Abstract**

*The study aims to assessing the Effect of Participative Decision-Making on improving employees' commitment towards organizational goals in Unilever Ethiopia. More particularly, it aims to investigate stakeholders' perceptions and experiences of employees' participation in company management and decision-making. Employees' involvement is a contested issue in the company. The study employs an explanatory and descriptive research design and uses quantitative approach. A questionnaire related to employees' participation in decision making and employees' commitment was administered. A survey is conducted by using structured close ended questionnaires which is distributed to 162 Unilever employees. Descriptive, correlation and multiple regression statistical tools were used to examine the relationship between participative decision making and employees' commitment. The results revealed that the extent of participation in decision making, mechanism employed by management to ensure participation in decision making and perception regarding PDM in improving employees' commitment towards organizational goal in Unilever was high. It was also noted that main challenges associated with participation in decision making are moderate. More over the study found that the effect of participation in decision making on employees commitment was very high. The finding also suggested that extent and mechanism participation in decision making have strong and positive relationship with employees' commitment. Whereas the challenge of participation in decision making have moderate and shows a little bit negative relationship with employees' commitment. Finally, it has recommended that better Extent and mechanism of employees' participation and the avoidance of challenges associated with participation in decision making would continue to improve the commitment of employees towards organizational goal and further studies are forwarded.*

**Keywords:-***Decision making, employees' participation, employees' commitment, Unilever Ethiopia.*

# CHAPTER ONE

## INTRODUCTION

### 1.1. Background of the Study

In today's rapidly changing environment and intense competition, business Companies are forced to seek ways to be more flexible, adaptive and competitive as well as discovering that people really are the most important asset (David,2005). Success depends on involving the employee's entire capacity to generate new ideas and ways of working to outsmart the competitions. Participative decision making is one of important aspect of organizational life to achieve increased organizational effectiveness and employee's commitment towards organizational goals. Participative decision making is a classical concept in modern business administration (Wilkinson, 1988).

It's described in a variety of ways but generally define as when employees fully invest emotionally, mentally and physically so they focus on achieving the organizational goals. In order to meet organizational goals and improve its effectiveness, efficiency and productivity, the management of any organization should involve all stakeholders in the running of a business (Faure and De Villiers, 2004).

Employee participation in decision – making is a process of involving and empowerment of employee in order to use their input towards achieving higher individual and organizational performance. Involvement refers to the employees' 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. Employee participation is management initiatives are given the opportunity to discuss issues relating to their work to influence managerial decisions, but management reserves the right to govern (Gifford, Nealthy, Loukas, 2005).

The participation of employees in decision making can help in many ways to the organizations including enhancing and generating creativity changes in behaviours' at works; work force commitment and in organizational decision-making process. In many cases, managers are encounters to allow a high degree of employee participation and autonomy to increase work force commitment. In general, the employee participation in

decision making should be an important step to improve employee commitment towards organizational goals (Nel, Kirsten, Swanepoel, Erasmus and Jordaan, 2016); Thus, the aim of this research is to assess the role of participative decision making in improving employee's commitment towards organizational goal and the reason why I chose this topic is that nowadays almost all organization relies on employees for success and competitiveness. Consequently, organization needs to figure out strategies how to involve employees in decision-making and enhance the commitment of employee for good performance of organization. In respect, employee participation has come to play an indispensable role in helping organization to reach its goals.

## **1.2. Background of the company**

Unilever began with British soap-maker Company named Lever Brothers. Their revolutionary action in business was by introducing the Sunlight Soap in 1890s. That idea was from William Hesketh Lever, founder of Lever Brothers. This idea helped the Lever Brothers become the first company that help popularize cleanliness in Victorian England. In 1872 Jurgens and Van den Bergh created a company that produces margarine. Since there were many competitors in the margarine industry in Dutch, in 1920s, Jurgen and Van de Berth decided to strengthen their company by joining another margarine manufacturer in Bohemia. In 1927, there were three companies including Jurgen and Van de Berth Company which formed Margarine Unie located in Holland.

In 1930, the Lever Bros merged with the Margarine Unie and even though, an international merge was an unusual move at that time, both of the two companies have the same vision by doing this merge with strong global networks would create new opportunities. Finally, the name

of "Unilever" was created by the merge of the companies. Not too long after Unilever was formed, they got a big problem which was that their raw material companies were reduced from 30% to 40% in the first year. As that problem started to attack, Unilever had to react quickly by building up an efficient system of control. In September of 1930, Unilever established the 'Special committee' that was designed to stabilize British and Dutch operate and concern as an internal cabinet for the organization.

Therefore, Unilever expanded their operation by making association by two important acquisitions in US, those are Thomas J. Lipton Company, manufacture of tea, and the Pepsodent brand of toothpaste in 1944. In 1957 Unilever continued their actions by associating with U.K. frozen food maker Bird's Eye, and in 1961 with U.S. Ice cream novelty maker Good Humor.

In the 1980s Unilever made a revolutionary restructuring by selling most of its subsidiary business to concentrate the company's core business. Eventually, foods, toiletries, detergents and special chemicals were the Unilever's core business. This restructuring also helped Unilever to make a collaboration with Chesebrough-Pond's in U.S. in 1986. That collaboration made a big impact to Unilever, their profit margin increased. Furthermore, Unilever bought Chesebrough-Pond in 1987.

Nowadays, Unilever become the world's most consumed product brand in home care, personal care and food. In 2002, Unilever had a worldwide revenue around \$48,760 million having about 400 brands globally.

In 2014 Unilever has opened its office and factory in Ethiopia to engage in manufacturing consumer products. The factory is said to be located in Easter Industry Zone, Dukem.

The factory is built at an outlay of 13 million Euros. The Corporate further explained Unilever decided to invest in Ethiopia due to the country's demography, broad-based growth, and the opportunity to develop a sustainable and inclusive business model.

Unilever is world's second biggest consumer products manufacturer. Its products include food stuffs, personal care and home products. Currently it has 90 plants in the African continent.

### **1.3. Statement of the problem**

As many organizations have experienced the lack of commitment by employees towards implementation of decision taken by the top management which undoubtedly has serious repercussions on organization goal success (Abdulai and Shafiwu, 2014). Employee participation in decision making is important for an organization, as its help organizations make sure employee are working hard or committed to contribute to accomplishing the

organization goal. Employee participation in decision making sets expectations for motivates employee to work hard in ways that is expected by the organizations. Consequently, improving employee commitment by using employee participation plan is a way to improve organization goals (Prisca 2011).

Lastly, in today's organizations, there is an awakened interest in participation. According to Wagner III et al. al (1997), participative techniques have been talked about ever since the early human relations movement and now because of competitive pressures, the elimination of the old hierarchical superior-subordinate relationships and the emergence of teams and horizontal structures and boundary spanning information technologies, organizations, teams and individual managers are effectively using them. The above-mentioned observations and many other changes in the work environment may offer good suggestions as to why today's labour market is characterized by a culture of 'job hoping'. Job hoping in turn could be a good indicator of dissatisfaction at the workplace. According to Abwavo (2005), job dissatisfaction is the root cause of dysfunctional behaviour (such as turnover) at the workplace. With the employee looking beyond the paycheque, other factors that affect employee commitment ought to be considered.

Various studies have been carried out on issues affecting employee commitment; in various studies done in this matter, several issues that affect employee commitment were addressed. But no studies found to address the issues related to employee commitment and decisions making in multinational companies operating in Ethiopia. Multinational companies are unique in Ethiopia because each company is governed by a manger whose country origin is from abroad which is the basis for decision making. To the best of the researcher's knowledge, no study has been done to determine the extent to which employees in a multinational company setting are allowed to participate in decision making and whether this has a bearing on their level of employee commitment. This study therefore sought to address this issue.

#### **1.4. Research questions**

In order to achieve the purpose of the study, from the statement of the problem the following research questions are raised. Therefore, the research questions for this study are as follows:-

1. To what extent do employees participate in decision-making process in Unilever Ethiopia?
2. What techniques are employed by the management of Unilever Ethiopia to ensure employees' participation in decision- making process?
3. What are the effects of employees' participation in decision-making on their commitment towards organizational goal?
4. What are the challenges associated with employees' participation in decision making?

## **1.5. Objectives of the study**

### **1.5.1. General objective**

The main Objective of this study is assessing Effect of participative Decision-Making on improving employees' commitment towards organizational goals in Unilever Ethiopia.

### **1.5.2. Specific Objectives**

The specific objectives of the study;

1. To determine the extent to which staff in Unilever are allowed to participate in decision making.
2. To establish if believe in the goal and value of the organizational goal, work hard for the success of the organizational goal, and intend to stay in the organization conditions determine employee commitment?
3. To establish the extent to which participation in decision making affects the level of employee commitment of staff in Unilever.
4. To demonstrate challenges associated with employees' participation in decision making.

## **1.6. Significance of the study**

This study helps specially the following body or groups;

**Policy Makers:-**The finding of this study assists the policy makers, especially with in the Ministry of labour and social affairs, to look seriously at participative decision making and maybe prepare for revising labour proclamation Number377/03, have not incorporated

employee participation in decision making. It is a gap which needs attention by policy makers (Redae, M., 2013).

**Scholars:-**scholars gain knowledge on the role of participative decision making in improving commitment towards organizational goal. They also acquire the factors affect participation in decision making in the like organizations. The finding of this study also helps scholars to develop various theories and while, employees' participation in decision making have not been conducted as to the knowledge of the researcher in Ethiopia, thus this study add to the literature and use this study for further research.

**Organizations/Companies:-** As the employees' participation in decision making is important aspects of any organization, this study provide practical benefits for organization that attempt to introduce direct and indirect participation decision making. The study also provide a better understanding of the factors that influence the effectiveness of participative decision making and the role and contributions of employers and employees to participative decision making processes. Generally, the findings of this study significantly help any organization to minimize dissatisfaction, inefficiency and unproductively and improve employees' commitment and organizational profitability.

### **1.7. Scope of the study**

The study aims to assess effect of participative Decision-Making on improving employees' commitment towards organizational goals in Unilever Ethiopia only. Even though Unilever has District offices in almost every country, the study is limited to Unilever Ethiopia. Conceptually limited to Employee participative decision making (Independent variable) and Employees commitment (Dependent variable).

### **1.8. Organization of the study**

This research report has been organized to comprise of the following five chapters.

CHAPTER ONE - INTRODUCTION: begins with research background and discusses background of the company, statement of the problem, basic research questions, objectives and significance of the study. Finally scope of the study and organization of the research report is presented.

CHAPTER TWO - LITERATURE REVIEW: dealing with related literatures that contain theoretical review, empirical review and the conceptual framework for this study.

CHAPTER THREE - RESEARCH METHODOLOGY: This section discusses the research design and approach of the study, data source and method of data Collection. Sampling method and sample size also presented in this section, and then measurement of variables included in the research is mentioned. Specification of the model to this study is determined. Finally, methods for data analysis are discussed, validity and reliability of the variables are measured, and then ethical considerations are explained in the section.

CHAPTER FOUR - DATA ANALYSIS and INTERPRITATION: The section discusses the respondents' profile, and then tests the reliability of individual constructs

Data analysis is conducted through descriptive and correlation analysis. Multiple regression assumptions are tested to check the validity of data to fit the model.

CHAPTER FIVE - RESULTS and DISCUSSIONS: In this section the main findings of the research is summarized and conclusions on major findings is presented. Recommendations are given based on the research findings and the limitation of the study is mentioned. Finally, the study forwarded some suggestions for further investigations.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITRATURE**

#### **2.1. Introduction**

This Chapter introduces us to the literature review of the area of study which is effect of participative Decision-Making on improving employees' commitment towards organizational goal. Frist it presents the concept and theories supporting, the study and followed by a review of the empirical studies conducted by research on participative decision making and finally the conceptual framework developed based on the literature reviewed.

#### **2.2. Concept of Decision making**

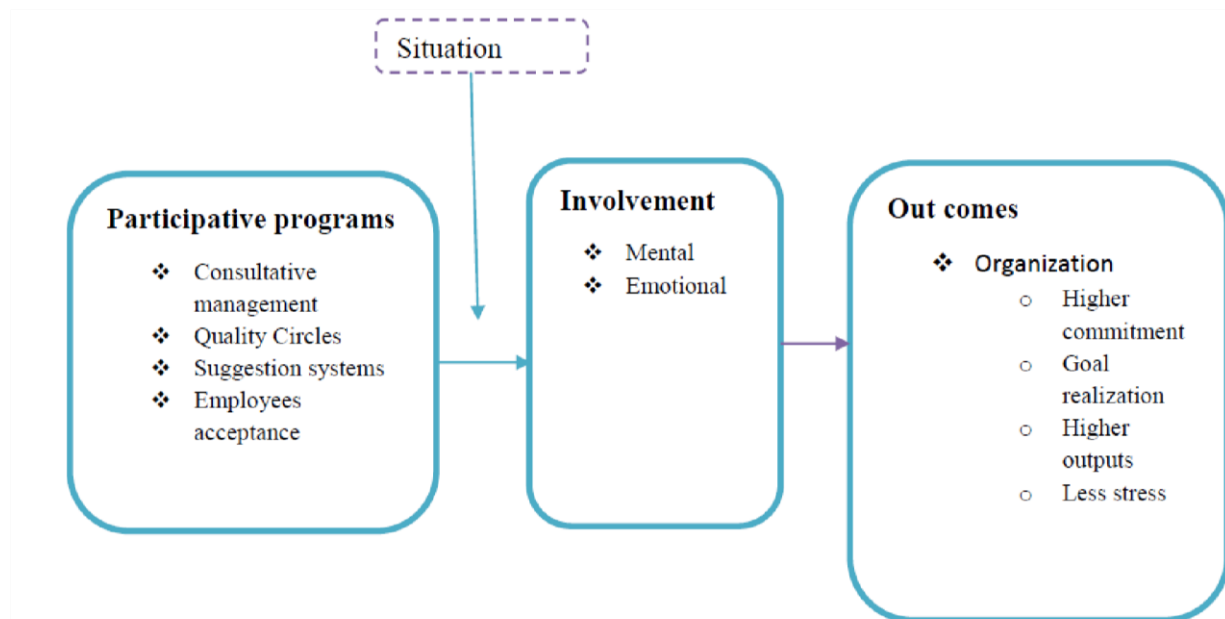
Store and Freeman (1984), define decision making as “the process of identifying and selecting a course of action to solve a particular problem.” Moorhead and Griffin, (2004) decision making can be defined as choosing between alternatives. It can be regarded as an outcome of mental process (cognitive processes; memory, thinking, evaluation) leadings to the selection of a course of action among several alternatives. Decision making involves mapping the likely consequence of decisions, working out the importance of individual factors, and choosing the best course of action to take (Muindi, 2011). Moorhead et al. (2004) in the decision making process the decision makers' actions are guided by a goal. Each of the several alternatives courses of action is linked to various outcomes. Information is available on the alternatives, on the value of each outcome relative to the goal. The decision maker chooses an alternative on the basis of her/his evaluation of the information.

#### **2.3. Concept Participative decision-making**

The concept of participative decision making emphasizes the need for cooperation between employee, and for employees to share in the decision making processes of management(Bendix,2001).It is widely believed that employee participation may affect an employee's job satisfaction, productivity, commitment, which can create comparative advantage for an organization (Bhatti and Qureshi,2007). High performing, effective organization have a culture that encourages participative decision making, since employees are willing to get involved in the decision-making process, goal setting and problem solving

activities, which then results in higher employee commitment (Scocum and Woodman,1998). Participative decision making will bring together mental and emotional involvement (Davis and Newstrong, 1997). Participation in decision making increase employees commitment, because the contribution towards organizational goals is realized. Satisfaction and successful team work with supervisor will increase as well because employee are less stressed there is less conflict and more commitment to organization goal and at last, organizational change is better accepted (Irawanto,2015).To illustrate the above statement Davis and Newsroom put the process of participative decision making as figure blow;

*Figure 1: Participative Decision-Making Process*



Participation decision making encourages the involvement of stakeholders at all levels of an organization in the analysis of problems, development of strategies and implementation of solutions. Employees are invited to share in the decision-making process of the form by participating in activities such as setting goals, determining work schedules, and making suggestions. Adeola (1994) defines employee’s participation as the active involvement of subordinates and followers in the making of decisions that directly affect them in the workplace. Participation in decision making is generally regarded as a sign of enlightened and democratic management. Davis (1981) stated that participation is a mental and

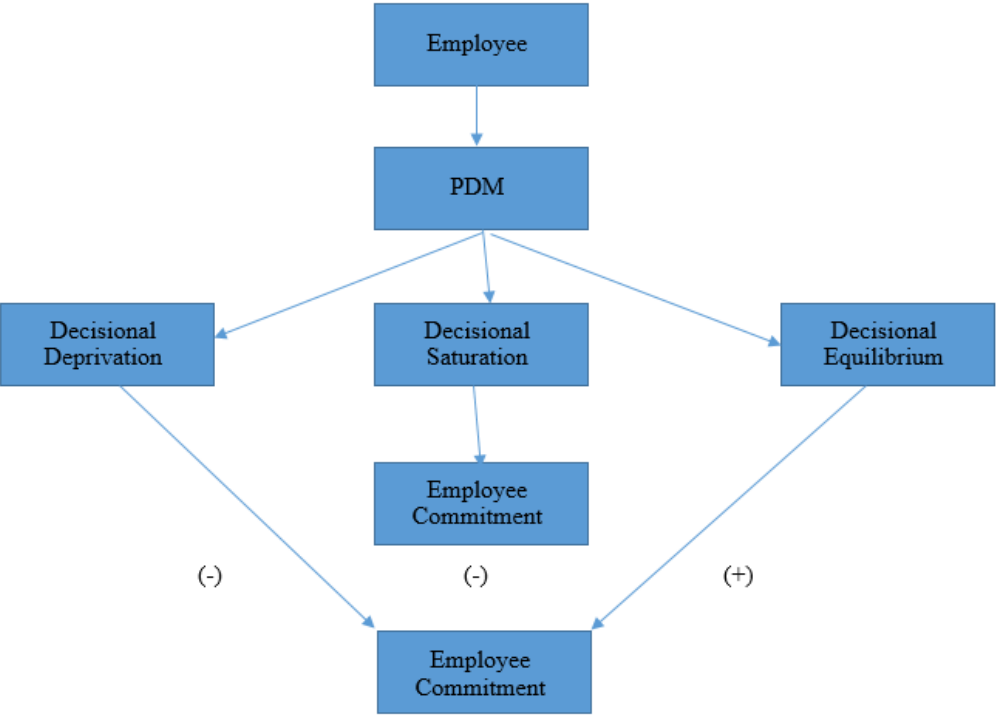
emotional involvement of persons in group situations that encourage them to contribute to group situation that encourage them to contribute to group goals and share responsibility for them. Lewin (1969) defined it as a mode of organizational operations in which decision as to activities are arrived at by the person, who is to execute these decisions. The concept of participation in an organization can therefore be summarized as a process by which an organization attempts to unlock the creative potentials of its people by involving them in decisions affecting their work lives. It is a structured effort to enable employees at all levels in an organization to use their knowledge, skills and abilities more effectively in their work and to participate more fully in decisions about their work life.

#### **2.4. Employees' commitment**

Employee Commitment towards originations and Decision-Making, Steers (1977) defines employee commitment as “the relative strength of an individual's identification with and involvement in a particular organization” (p. 46). Commitment has also been defined as the strength of an employee's emotional attachment towards an organization (Allen and Meyer, 1997). Employee commitment suggests that individuals within an organization are willing to be more determined for the success of an organization, by partaking in such efforts such as being creative or resolving work related issues. As identified within the section, research has identified that as PDM increases; employee commitment also increased, displaying a positive relationship between the two factors (Kahnweiler and Thompson, 2000; Scott-Ladd et al., 2006). On the other hand, as decisional deprivation, when desired PDM is higher than of actual PDM, increased, employee commitment decreased.

A study conducted by Alutto and Belasco (1972) also concluded that in America, both decisional deprivation, when desired PDM is higher than actual PDM, and decisional saturation, when desired participation is less than that of actual PDM, resulted in low employee commitment. On the other hand, a study conducted by Alutto and Acito (1974) found that there existed a positive relationship between decisional equilibrium (symmetric amount desired and actual PDM) and organizational commitment. In other words, as presented in Figure 2.3, both decisional deprivation and saturation reduce employee commitment while decisional equilibrium increases employee commitment.

Figure 2: PDM multiple influence on Employee commitment (adapted from literature by author)



Commitment has been associated with multiple attitudes of individuals within an organization including performance and organizational behaviours (Carr et al., 2003; Ackfeldt and Coote, 2005). As definite by Sousa and Coelho (2011), employees whom are deemed as committed to their organization are more likely to adopt behaviours which help contribute to the organizations success.

Committed employees are more likely to work towards the accomplishment of organizational goals, exert high levels of effort on behalf of the organization, show acceptance of the organization’s major goals, values, and lower turnover rates (Mowday et al., 1982). Employee commitment has also been related to employee behaviours, individual performance and job satisfaction. Therefore, it is established that a positive relationship exists between employee commitment and job satisfaction.

Scott-Ladd and Marshall (2004) tested PDM employees in the public, private and local government (including a state government agency, three local government agencies, a

hospital, a resort hotel and a small manufacturing company) in relation to employee's commitment within

Australia. Surveys were distributed through internal mail systems, and covering letters assuring respondents of confidentiality and explaining the purpose of the study. PDM was found to positive relationship with employee commitment. Also, PDM in relation to employee commitment has tested within Pakistan in the Oil and Gas, Banking and Telecommunication sectors (Bhatti and Qureshi, 2007). Results concluded that the implementation of PDM was positively correlated with employee commitment.

Finally, Scott-Ladd et al. (2006) conducted research regarding PDM's relationship on employee commitment within Australian medium sized organizations, including one state and three local government agencies and a private hospital. Findings proposed that PDM promoted employee commitment. Hence, one can notice a trend in which the implementation of PDM influences high employee's commitment. However, research concerning the relationship between PDM and employee commitment is still lacking research.

## **2.5. Effect of Participative decision making on Employee commitment.**

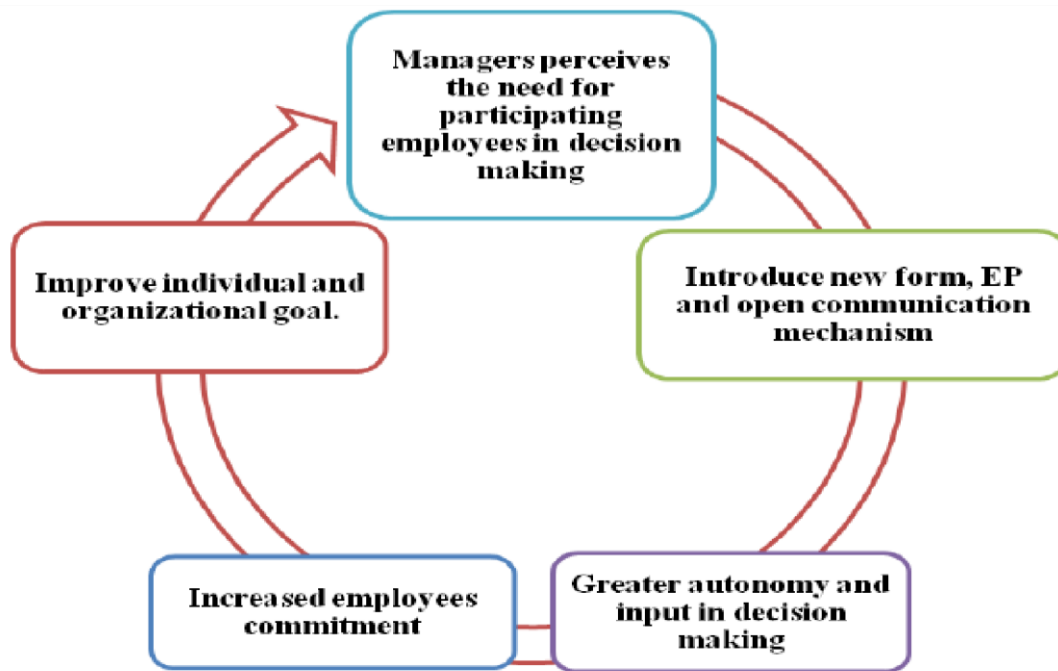
When employees are allowed to participate in important organizational processes such as decision making, they feel a greater affinity toward the organization. They feel that they and their advice are valued by the organization, and they are accepted and belong to the organization Riel, (1994). The ego and self-actualization need of employee are better satisfied when the participation in decision making. When employees are participating in the creation and progress of their operations, they are more committed. This creates a work environment where the employees know their mission and have a vested interest in its success. Riel et al., stated that there is a belief that employers are not able to play an integral part of the organization. Active employee participation in decision making processes an increase employee commitment and accomplishment. Employees are able to express their work-related concern, improve their jobs, and contribute to the fulfillment of organizational goals and objectives. By allowing employee input into decision regarding their work, management acknowledges that these are a vast resource of knowledge and ideas. Cohen and Kirchmeyer (1995) also emphasizes participative decision making usually plays a very

vital role in enhancing employees' effective commitment. Many researches indicate that participation is not usually needed to gain commitment toward objectives but having employee participation in the planning can be an effective means of fostering commitment with the organization.

A study conducted by Ward (1977), indicate that participative decision making has a clear link with employee commitment. Thus, the higher level of employee participation is associated with higher level of employee commitment towards organizational goal. It is observed that employees' commitment to the organization is strong among those whose leaders allow them to participate in decision making (Bhatti, Nawab and Akbar, 2011). Participative decision making also create a feeling of belonging and pride and hence increases their commitment with the organization. Studies conducted in the area of participative decision-making shows time may affect organization and members' commitment to participation to decision making. Employees' participation in shortterm participation decision making, may have less commitment than if the participative decision making continued over weeks and months. Other researcher also argued that organization must take a longer-term approach to implementing PDM may indicate less commitment by the organization, or perhaps, a less positive attitude towards PDM (Sashkin,1976, Lawler,1986). Employee participation can be an expedient management strategy to increase employee commitment (Lomo,2017). By informing employees of the state of the organization and prominent decisions being made ,employees understanding can be increased(Wilkinson and Dundon,2010). Participative decision making create a psychological ownership and attachments towards the organization, and enhance employee commitment. The study of Han, Chiang and Chang(2010),also justify the above idea, which found participation decision making positively predicted employees experience of psychological ownership towards the organization.

Bratton and Gold (2003) in their study shows the relationship between participation in decision making and employees commitment (participation – commitment cycle) as the below figure.

Figure 3: The participation -- commitment -- organizational goal cycle



\*EP- Employee participation

Source - Bhatti (2013); Bratton and Gold (2003).

## 2.6. Forms of participative decision making

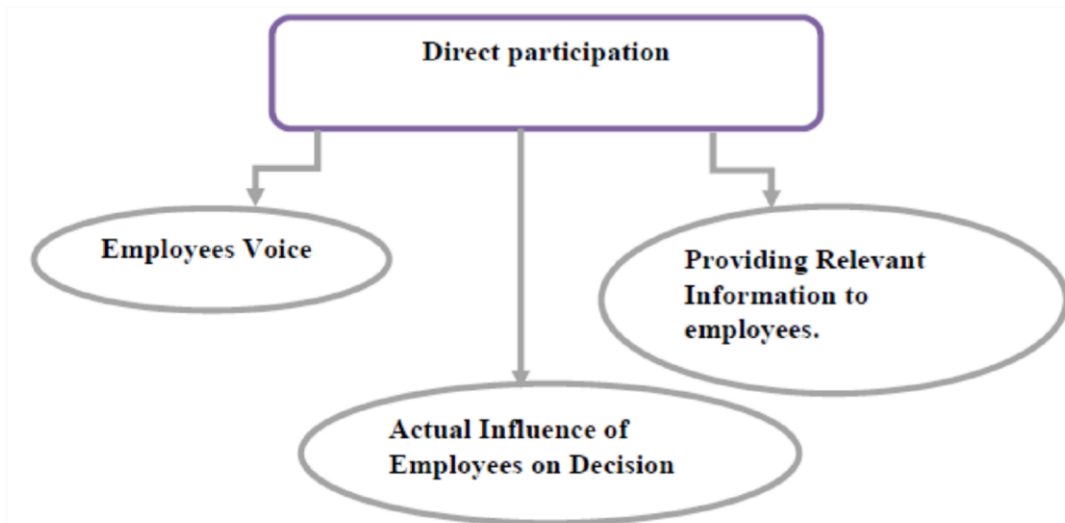
According to Nel, Kirsten, Swanepoel, Erasmus and Jordan (2005), there are two forms of participative decision making, Namely Direct and indirect participation in decision making.

### ▪ Direct participative decision making

Direct participative decision making is regarded as a process of job enrichment and enlargement where the employee is offered the possibility of extending the depth and width of his work tasks, but without any control over organization planning or goal setting (Nel et.al, 2005). Direct participation in decision making also includes the sharing of financial rewards, which result from increased productivity, the provision of all information relevant to a job; consultation about changes that may affect the employee; and personal involvement of employees in the decision making process (Nel et al., 2005), Geary and Sisson (1994) also define direct employee participation as opportunities which management provide, or initiatives to which they lend their support, at work place level, for consultation with and/or delegation or responsibilities and authority for decision making to their subordinates either

as individuals or as group of employees, related to the immediate work task, work organization and/or working conditions. Direct participation refers to the practice in which employee are personally involved in decision making(Knudsen,1995;Markey and Townsend,2013).Kester (2007)adds that direct participation occurs when employees share in some or all decision that are made at an enterprise level by themselves. Strauss (2006) coined this form of participation with three dimensions as below;

*Figure 4: Form of Direct Participation*



**Source – Strauss (2006)**

In general, direct participation is concerned with face-to- face contact between managers and their subordinates (DuToit and Oosthuizen, 1999).

▪ **Indirect participation decision making**

Indirect participation is commonly conceived of as the involvement of a restricted set of actors who are elected or appointed to act as the representatives of the employees (Cotton, Vollrath, Froggatt, Lengnick-Hall, and Jennings (1988); Black and Gregerson, 1997). These representatives can be Unions, works councils, Joint committees, or employee representatives on boards. Indirect employees’ participation concerns employees’ collective interest, for instance, collective bargaining negotiations (CBN). According to Anstey, (1997), collective bargaining is an indirect form of employee participation in decision-making, and it is the most common form of employee participation worldwide. Collective

bargaining is a vehicle used by employee representative to regulate workplace behavior between managers and employees.

similarly, Bendix (2010) state that collective bargaining is an indirect forms of employee participation in decision making, particularly because the process of collective bargaining allows managers and employees to engage in the joint regulation of workplace-related issues whilst they may jointly solve problems, which may arise.

## **2.7. Extent of participative decision making**

There are three level of decision making in an organization according to Bennet (1997), these levels are;

- **High-level participation**

High level participation is a broad decision about organization direction and its relations with the outside world. These decisions established organizational objective and impose frameworks for controlling the organization activities. Top management and the representative of employees decide on issues of strategic importance for the organization as a whole (Net et.al, 2005). An example, of high-level participation issues such as what to produce and how the organization with finance its operations. These decisions are usually made by high- or top-level management (Bennet, 1997).

- **Mid-level participation**

This level of decision making is concerned with implementation of strategic decisions. They include decisions on issue such as the acquisition and deployment of resources, allocation of duties and specification of secondary objectives monitoring performance and reporting to top levels of authority (Bennet, 1997).This takes place when an employee participations in the decisional making processes of the plant or establishment, concerning for instance, the way in which the company's rules regulation and disciplinary procedures should be applied and executed (Nel et al., 2005).

- **Low-level participation**

This level of participation is focus on day-to-day activities of organization or departmental activities. At this level of participation, management makes an effort to improve communication and attitudes (Du Toit and Oosthuizen, 1999).

In other expression this level concerned with minor administrative matter such as lengths of production runs, shift rosters, stock levels and so on (Bennet,1997).

## **2.8. Impact and Benefit of participative decision making.**

A participative decision making offers various benefits at all levels of the organization. By creating a sense of ownership in the company, participative decision making instils a sense of pride and improve the commitment of employees to increase productivity in order to achieve organizational goals. Employees who participate in the decisions of the organization feel like they are a part of a team with a common goal, and find their sense of self-esteem and creative fulfilment heightened (Mundi, 2011).Putting decision making power as close as possible to the point of delivery makes that implementation of those decisions not only possible but also successful (Rice, 1987). Managers who use a participative decision making find that employees are more receptive to change than in situations in which they have no voice. Changes are implemented more effectively when employees have input and make contributions to decisions. Participation keeps employees informed of upcoming events so they will be aware of potential changes. The organization can then place itself in a proactive mode instead of a reactive one, as managers are able to quickly identify areas of concern and turn to employees for solutions (Helms, 2006).

According to Sharma,(2003) the benefit of participative decision making are; quick decision, enhance quality of decision, increase the responsibility and accountability, enhance transparency and co-ordination among members, improve quality of work, timesaving's, increased flexibility in working, improve performance ,creative problem solving, enhanced trust among members, shared responsibility, distributed work, ready to face the challenges, quick implementation of decisions, effective utilization of resource and communication at all level, good interpersonal relationship and discipline and amicable settlement of dispute and acceptance of changes. Eboli,(2007) also discusses the benefit of participative decision making(PDM) as follows; the benefits of PDM found promotion and growth of products and services, diversifying products and services, supply conditions

continuous improvement, increasing individual and organizational efficiency, increasing job security and collaboration method, enhancing motivation and spirit of work, reduced absenteeism and poor work atmosphere promotion spirit of creativity and innovation and improving communication between manager and employees their interactions and relationships. Azahdel, Chegini and Delshad (2013), the benefit of participative decision making are it leads to self-discovery and human integrity, improving human capital through education encourages provide appropriate strategy for the integration of independent tasks, makes it possible for employees to have share in improvement of work performance and low level of staff will be responsible for the maintenance and improvement of work processes.

## **2.9. Objectives of participative decision making.**

The main objective behind participative decision making is to motivate employees to meet specific organizational goals. This is the process of involving people in decisions making process to ensure that every one's psychological needs are met. It in turn increases the commitment work life. Committed employees are the biggest assets of an organization and participative decision making is an effective strategy to retain the best talents of the industry (*Prachi J., 2017*).

According to Venter, (2003) participative decision making is generally seen to satisfy morale, political, social and economic objective of employees.

**1. Moral/Ethical Objectives:** - participative decision making has ethical dimensions and based on morals, principles and values. In this form of management everyone is treated equally when it comes to organizational decision making (*Prachi J., 2017*). Workplaces is not only a source of employment and income, but also has an impact on the health, wellbeing, security, happiness, and self-esteem of employees. Therefore, the participation of employees in decision making is an ethical and moral imperative (Cassar, 1999).

**2. Social Objectives:** - participative decision making can improve job satisfaction, commitment and labour relations (Haggerty, 2005).

▪ **Job satisfaction;** job satisfaction is the collection of feeling and beliefs that employees have about their job (Aziri, 2011). Judge and Robins (2009), define job

satisfaction is a positive feeling about resulting from an evaluation of its characteristic. Employee participation in decision making may increase level of job satisfaction and consequently, motivation (Venter, 2003).

- **Organizational commitment;** participative decision making is a vehicle to gain commitment to responsibility. Satisfied employees are more committed to an organization and its goals, and committed employees will use extra energy to promote the interest and well-being of the organization in which they work Haggerty (2005). Commitment employees who are highly motivated top contribute their time and energy to the pursuit of organizational goals is increasingly acknowledged to be the primary asset available to an organization (Hunjira, 2010).

- **Labour relations;** According to Massarik and Tannenbaum (1999), engaging employees in decision making will help to reduce labour turnover, absenteeism, the number grievance, while the end result is a cooperative relationship between management and labour, as opposed to an adversarial relationship. Shelley, (2000) also believes that employee participation may foster more Co-operative attitudes amongst employees and management, thus rising efficiently by improving teamwork and by reducing the loss of efficiency arising from industrial disputes.

- **Economic objectives;** Bendix (2010), in his study the main economic objective of participative decision making is that cooperative is seen as bringing about greater, commitment, performance and motivation on the part of employees, which will result in higher productivity. Cabrera, Ortega and Cabrera (2003), believe that employee participation increases effort, which subsequently improves efficiency, and productivity while it also reduces the cost of monitoring employees and it leads to increased commitment. Participative decision making can result in higher rate of outputs and increased quality of products owing to greater personal effort and attention on the part of employees (Massarik and Tannenbaum, 1999). Improving participative decision making is the most powerful force used by most organization to increase organizational effectiveness and efficiency (Macey, Schneider and Barbera, 2009).

## **2.10. Essential Conditions for successful participation in decision making.**

The success of participation is directly related to how well certain prerequisite conditions are met (Nandi, 2003). To be participative decision making is effective, the following necessary conditions must be met (Venter, Bendema, Conradie, Dwortzanowski-Venter Holtzhausen and Levy, 2009).

- **Effective engagement of subordinates.**

The success of participative decision making is mainly depend on the degree of participation of employees (“Management study guide.com”, 2018). Know a days the powerful force governing organization participation is one of the vital factors, dynamics, and productivity in organization that by creation of organizational network communication and by using idea and collective action makes a good move from organization current situation to the desired situation (Mohammed, Mehrdad and Mahyar, 2013). Weber and Weber,(2001) also said an organizational environment where subordinates are involved in planning or implementation changes, can help to reduce resistance to new change efforts, encourages subordinates commitment to the change and enable subordinates to cooperate with management in order to achieve the goals of the organization.

- **Management Commitment.**

According to Macey and Schneider (2008); Emmanuel, (2013), it is the organization responsibly to create conducive environment that sincerely engage the workforce. The disclosure of business and financial information to employees by management is a critical requirement for effective employee participation in decision making and is a true test of management commitment to the process (Venter.et al., 2009).

Employees are better able to make more informed decisions, as well as a greater impact in the decision-making process if they have the right information at their disposal. If employees have the right information at their disposal, they will be able to identify more strongly with the aims, objectives and vision of the organization (Emmanuel, 2013). We can conclude from above for meaningful participative decision making an effective

commitment of management to the process and disclosing any relevant information to employees is important.

- **Participative Management Style.**

Participative management style is a strong predictor of degree of participation. Management has the prime responsibility of structures for appropriate communication, information sharing and setting the right procedures for employee participation in decision making (Du Toit et al.). Hofstede (2005); Bialas (2009) also said that work relationships between managers and their subordinates depend on power distance. If the power distance is low, the distance between managers and employees will be small, and there will be cooperation because the contacts are direct. If the power distance is high, which is a management style that is often used by autocratic managers; employees will hardly have any say in decision making. Participative decision making is more acceptable in a low power distance management style rather than in a high-power distance style of management (Porter and Rees, 1998). Participative or democratic style of management, managers give recognition to the value of employee input; foster a culture of information sharing; promote cooperation; and encourages employees to participate in decision making (Venter et al.). Participative style of management, people in different position think at the same time about the same thing, but not in the same way. In contrast authoritarian style of management, people in senior positions think and subordinates execute (Emmanuel et al.).

- **Organizational Culture**

Organizational culture affects the way in which people set personal and professional goals, consciously and sub consciously think; make decision, perform tasks and administer resource to achieve them (Lok and Crowford,2003).An organization has a culture of participation if it uses forms of employee participation permanently, intentionally and preferentially to solve opening and integration problems effectively and sustainably, thus facilitating the adaptation to altering environmental conditions (Nerdinger and friedemann,2008).

The participation of employees presupposes an organizational culture that;

- Reflect the broader socio-political imperatives of democracy, inclusive and effective engagement by all;
  - Is supportive of the empowerment of employees by allowing autonomy and discretion in carrying out tasks;
  - Provides an environment that facilitates a commitment to free, open and transparent exchange of information;
  - Encourages effective, tolerant and engaged leadership through necessary reward systems in order to overcome management resistance to participative structures; and
  - Inculcates the requisite values of trust, tolerance, commitment, openness and cooperation (Venter et al.)
- **Training**

Gordon (1992) defines training as the planned and systematic modification of behaviour through learning events, activities and programs which result in the participation achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively. Training is important because when employees and management make vital workplace decisions it is of utmost importance that they have the skills and abilities that are required to make the right decisions (Konrad, 2006).

According to Venter et al., training typically involves the following;

- Awareness training designed to sensitize management and employees alike on the importance of worker participation in decision making and the positive impact that the participative process will have on the success of an organization;
  - Providing management and its employees with an understanding of those actions and behaviour which is conducive to successful participation; and
  - Equipping employees with the requisite tools to engage effectively in the decision-making process.
- **Trade union support**

Emmanuel in his study emphasize that trade union should be included from the start in initiating, developing and implementing participative decision-making structure in order to

ensure transparency, and hence the success of any participative structures. Venter et al., also adds trade union might be distrustful of participative structure, perceiving them as an attempt by management to either dilute their power or to co-opt them in order to influence their activities.

### **2.11. Effective participative decision making and Organizational goal Success.**

According to M.R.Azadehdel, M.G.Chegini and M.Delshad, (2013) employee participation in decision making shows job competencies and job autonomy and is closely linked with perceptions of service quality and job satisfaction. Participation in decision making provides opportunities for employees to enhance their skills and it authorize to them about their job in order to enjoy work. Once employees effectively participate in decision making they will more likely to hear comments in order to improve service performance. When management listen to employees comments and accepts comments, thus satisfies the self-actualization need of employees and have incentives to work hard in order to meet the organizational goal. Cheung and to, (2010) similarly said that, effective participation in decision making in work provides opportunities for employees to interact with other. When staff offers are accepted, they will enjoy this feeling of compliance, and this will leads to greater commitment.

Table 1: Positive increased and decreased consequence of participation in decision

Decreased consequence	Increased Consequence
❖ Reduce conflict, enmity in unsafe competition	❖ High quality work and superior quality of work life Easy adopt change.
❖ Reduce supervision and monitoring	❖ Increasing morale and organizational loyalty
❖ Lowering the need for discipline and punishment	❖ Create a sense of 'us' and unique identity
❖ Reducing waste and wasting raw materials	❖ High degree of tolerance towards others
❖ Reducing desertion, absenteeism and delays in work	❖ Expanded opportunities for free expression of feeling and emotions and inner thoughts
❖ Reduce stress and tension of work	❖ Increase the peaceful relations between superiors and subordinates among colleagues
❖ Reduce customer dissatisfaction	
❖ Prevent repetitions	❖ To increase motivation and interest to work

Source:-Arabian Journal of Business and Management review (2013)

## 2.12. Effect of Employee commitment on Organizational goal.

Employees who are highly committed to contribute their time and energy to the pursuit of organizational goal are increasingly acknowledge to be the primary asset available to an organization (Hunjra, Ali, Chani, Khan and Ramy, 2010). Employee commitment seems to be a crucial factor in achieving organizational goal success (Irefin and Ali, 2014). Employees who are committed to their respective organization are more likely not only to remain with the organization but are also likely to exert more efforts on behalf of the organization and work towards its success and therefore are also likely to exhibit better performance than the uncommitted employees. Employee commitment can benefit organization in a number of ways such as it can improve performance; reduced absenteeism, and turnover thereby resulting in sustained productivity (Dixit et al.). Committed employee is perceived to be one who stays with the organization even in turbulent times, attends works regularly, protects organization assets and shares organizational goals (Meyer et al, 1997).

### **2.13. Factors Affecting Employee commitment.**

Even when employees have clear work objective, the right skills, and a supportive work environment they won't get the job done without commitment to achieve those work objectives (Teryima, Timothy, Faajir, John and Vivien, 2016). Employees commitment is not determined by a single factor, but it have many factors (Fitz-enz, 1990). Factors mentioned in previous research are remuneration and benefits, training opportunity, air and equal treatment, organization culture are factors for Ghapanchi and Aurum (2011); Management style and leadership to increase an organization commitment capacity (Andrews and Wan (2009); Loan clarke, Arnold, Cooms, Hartley and Bosley (2010), emphasized that autonomy, work-schedule flexibility and social support help organization to keep their employees for a longer period of time. Gallie and White (1993); Dex and Smith (2001), found that employee commitment was related to personal characteristics that they called external factors (beliefs, sense of success) and internal organizational factors internal including the structure and policies of the organization. Internal factors that were found to commitment includes the following; the opportunities for personal development, the higher the extent to which employees felt their skills were utilized, the greater the access to training, the greater the extent the organization was seen as a caring employer, and the existence of teamwork as a form of supervision. Ongori (2007) also adds that the degree to which employees are committed or loyal to their organization depends largely on job enrichment, employee empowerment and compensation.

### **2.14. Empirical Review.**

There are no adequate researches on participative decision making and its role in improving employees' commitment towards organization. Various research are done focus on the relationship between participative decision making (PDM) and with some of the results variables such as performance, productivity, job satisfaction etc. even though the researcher emphasize the participative decision making with these variables, indirectly they discuss the impact of participative decision making on employees commitment towards organization goals. So it is important to discuss these related empirical study's to know the justified role of participative decision making on employees commitment.

In this regard the Study conducted by Ladd and Marshal (2004) stated that participation in decision making is important to employees and, along with job satisfaction and effective organizational commitment, is valued by them. Employees believe they are better off because of participation in decision making and the organization also gains through positive impact on carrying out tasks and performance effectiveness. The finding of this research supports the positions that participative decision making achieves positive results in organizational commitment. In addition, Mutambara and Tefera (2016) also find that participation of employees in decision making process and their involvement in organization change plans and goals setting have positive impact on the employees' commitment towards the organization. Involving employee participation leads to higher employee performance and organizational commitment in general. A research by Azadehdel, Chegini and Delshad (2013) suggest that a participatory decision-making system requires measures which executive managers should consider them. Reinforce the goals, values and priorities, define responsibilities ,limits and expectations , define decision making process, training program participation, adjusted for organizational environments ,creating a culture of participation, clarifying structure of participations are prerequisites that is very important in the success of participatory decision making ,they will have more likely to hear comments in order to improve the performance of services.

A study conducted by Tamen (2013) showed that employee participation has often been heralded as a solution, if not the panacea, for low institution effectiveness, efficiency and productivity of organization. Tamen also identify the following major obstacles for meaningful or effective participative decision making in the institution he studied. The first one lacks management commitment to participate employees in the decision-making processes, the second one is lack of trade unions support due there different agenda and the last one is lack of commitment on the part of employees. Singh (2009) also argued that the biggest challenges to superiors is to ensure that jobs provide the needs for employees. It is challenging to identify the type of higher order needs of employees as these reflects the true motivators. However, his study found that opportunities for employees to participate in the decision-making process in their jobs, managers can improve their chances of satisfying employees' higher order needs. In the study exploring the relationship between *direct participation and organizational commitment* by Bhatti, Nawab and Akbar (2011) shows a

positive and significant relationship with each other. In addition, Tor and Torger (1999) have done research, stated that there are a number of reasons because of which direct employee participation should be arranged in organizational planning which includes willingness and ability to work for organizational goal, which eventually increases their commitment with the organization. On the other hand, study conducted by Poole, Lansbury and Wailes (2001) American organization indicates that direct participation although has very less contribution in enhancing organization commitment but still it has a positive and significant impact at workplace. Muindi (2011) conclude his study with finding of the employees found in studied organization were satisfied with their jobs as their level of participation in decision making increases. Level of satisfaction with job characteristics was found to be largely influenced by the level of employees' participation in decision making. The study Muindi, confirm that employee participation in decision making increases intrinsic and extrinsic job satisfaction. Abdulai and Shafiwu (2014) found that allowing all employees to participate in decision making is best and help increasing commitment level of employees as well as promoting creativity and innovation in the organization .In the study, Employees were of the view that they want to be part of the team in the organization with regards to short term participation, even though the time involve for the participation of employees is limited, employees feel motivated since they are recognized. The study of Abdulai and Shafiwu also found that in order employees to have the right knowledge and skill to participate in decision making, they should be trained to enable them to participate effectively. Prisca (2011) conclude that, employee participation has been found to have favourable effects on employee attitude, commitment and productivity even also on the efficiency of the managers. Thus, participation decision making should be seen as an inevitable tool in any organization both public and private.

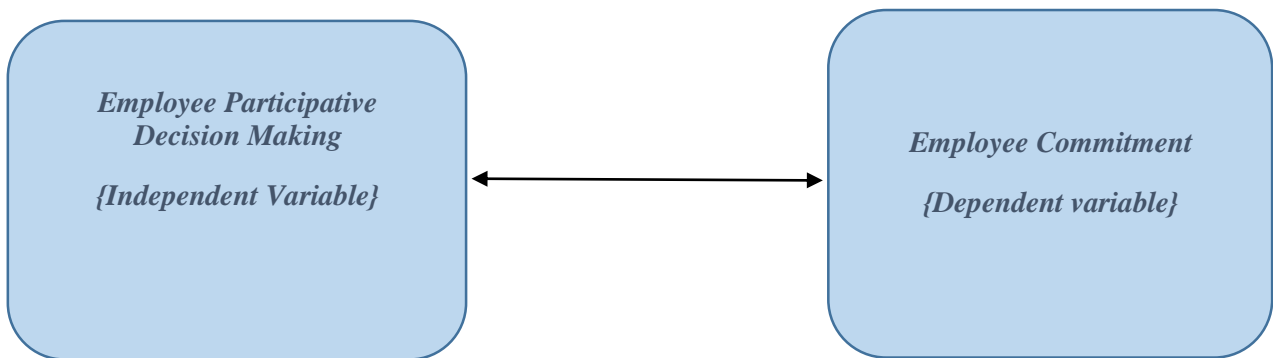
A synthesis of the above empirical studies showed that participative decision making is enhance the employees feeling of better-off /recognition, that have direct impact on employee's commitment and job satisfaction to the organization. The study's also shows that the true motivators of employees is participative decision making and the level or extent of participation in decision making also determent the level of employee's commitment and satisfaction as well.

## 2.15. Conceptual Framework.

The above literature shows that there are arguments that support participative decision making have a positive impact on employees' commitment. There is always a gap between what is expect and the reality. So, organization encourage employee's participation for effective Participative decision making which have great role in improving employees' commitment.

The conceptual framework below shows that participative decision making has great role in improving employees' commitment towards organization goal.

*Figure 5: Conceptual Framework*



**Source: Adapted from Literature review.**

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

This chapter discusses the research design and methodology in detail so as to have a clear picture on the processes and techniques used in conducting the study. The research design shows the general plan how to answer the research questions. It also gives information on how a sample respondent drawn from the population and gives description on the number of respondents and how they were selected. It also discuss about research design and the instruments for data collection. This chapter also discusses data analysis method and measures used to ensure validity and reliability of the study.

#### **3.1. The Research Design**

Research design refers to the structure of an enquiry. It is the set of methods and procedures used in collecting and analysing measures of the variables specified in the research problem. Design is a logical task undertaken to ensure that the evidence collected enables us to answer questions or to test theories as unambiguously as possible. (Cresswell, 2014).

As both qualitative and quantitative approach is a means for testing objective theories by examining the relationship among variables. These research used both quantitative and qualitative method to examine the relationship between participative decision making and employee commitment by using numbers and statistics, descriptions to explain and analyse its findings.

In this study, cross sectional and descriptive research design was applied whereby data are collected from the pre-defined population only once. This is a research design tailored to investigate association between a set of independent variables and a dependent variable (Frankfort-Nachmias and Nachmias, 1996).

The study was an explanatory that seeks to explain the subject matter being researched and tries to answer the question how the independent variable (participative decision making) affects the dependent one (employee commitment) in case of Unilever. It was conducted in order to identify the extent and nature of cause-and-effect relationship between the two variables.

Questionnaires were distributed to collect a quantitative primary data from employees of Unilever.

### **3.2 Source of data and Instruments of Data collection**

There are two types of data collection method, Primary and secondary data collection. The primary data are those which are collected a fresh and for the first time, and thus happen to be original in character and collected through questionnaires (Kothari, 2004, p.95) while secondary data refer to the data which have already been collected and analyzed by someone else, it is either be published data or unpublished data (Kothari, 2004, p.111). According to Kothari (2004, p.112) each method of data collection has its uses and none is superior in all situations, selecting the appropriate method depends on the nature, scope and objective of the study, the availability of time and fund and precision required for the study.

This study is mainly depends on primary source of data and to some extent secondary sources. Primary data is collected through structured questionnaire (close ended and open ended).

Secondary data sources were also used including Unilever profile document, journals, books, and internet.

### **3.3 Sampling Technique**

The sample was drawn from the targeted population by using a non-probability sampling. This sampling method involves purposive or deliberate selection of particular units of the universe for constituting a sample which represented the universe (Kothari, 2004). In this research, Convenience sampling technique was used where the population elements were selected in the sample based on the ease of access or respondents were selected because they happened to be at the right place at the right time. The researcher contacted the target element in Addis Ababa and Dukem, who were willing to participate.

#### **3.3.1 Target Population**

The target population for this research were employees (all permanent employees of Unilever except leadership team or high level managers) as the Managers (Leadership team) were supposed to be interviewed and only employees' are involved in the analysis. The locations which the questionnaires was distributed and collected from head office and factory of Unilever.

### 3.3.2 Sample Size

The sample size determination is based on Slovin's formula with confidence level 95% and confidence interval (error margin) 5%. The derivations above show that Slovin's formula is applicable only when estimating a population proportion using a confidence coefficient of 95% (Tejada & Punzalan, 2012). To determine the sample size from the target employees and managers of Unilever, the following sampling formula was used;

Thus, 
$$n = \frac{N}{1 + Ne^2}$$

Where, n = is the sample size

N = is the population size (273)

e = error tolerance (0.05)

$$n = \frac{273}{1 + 273(0.05)^2} = 162.258544 \approx 162$$

Based on Slovin's formula, the sample of 162 respondents has drawn from target population of 273 employees.

### 3.4 Measurement of variables

The following table indicates measurements of the constructs and the sources from which questionnaires are developed.

Table 2: Measures of Variables

	Variables	Measures	Source
<b>Dependent Variable</b>	<b>Employees commitment</b>	<b>Question no 5.1 to 5.14</b>	<b>Rachel Igella (2014)</b>
<b>Independent Variable</b>	<b>Participative Decision Making</b>	<b>Question no 2.1 to 2.9</b>	<b>Bree Rock (2017)</b>
<b>Moderating Variable</b>	<b>Leadership Style</b>	<b>Question no 3.1 to 3.11</b>	<b>Lilian Githuka (2017)</b>

### 3.5 Techniques of Data Analysis

The data which is collected using the questionnaire was coded and processed. The findings of the study were analysed by using the Statistical Package for Social Sciences (SPSS) version 20 program. Descriptive data analysis tools were used to measure frequencies, percentages, means, standard deviation and graphic representation. Pearson Correlation was used to determine the existence of any relationship between the independent variables and the dependent variable. Multiple regression analysis was conducted to examine the influence of participative decision making on employee commitment.

### 3.6 Validity and Reliability of the study

**Validity** refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration (Babbie and Mouton, 2001). However, it appears that validity seeks to ensure that the findings are really reflecting what was expected.

**Reliability:** Showing that the operations of the research in terms of data collection, data analysis and so on can be repeated and the same results obtained. Babbie and Mouton et.al stated that reliability is a matter of whether a particular technique, applied repeatedly to the same object, would yield the same result each time. In this respect, Cooper and Schindler (2001), cited by Muragize (2004), propose that a measure is reliable to the degree that it supplies consistent results. Then, they assert that reliability is a necessary contributor

to validity with estimates of the degree to which a measurement is free of random or unstable error. In order to enhance reliability and validity (particularly of construct validity or internal validity and external validity) of the study, the researcher try to conduct include respondents at all levels within Unilever. Information from various levels obviously should increase the validity. Secondly, a pre-test was done to assess whether the questions are well understood but also to uncover any deficiencies. Based on the replies from the pre-test, the questionnaire was refined and adapted. Finally, some questions from previous studies were replicated not only to increase internal validity but also to provide comparative data.

### **3.7 Ethical Consideration**

This section considers ethical issued that needs Special attention while conducting the research.

- Voluntary participation of respondents in the research is guaranteed.
- Respondents will participate on the basis of informed consent.
- The use of offensive, discriminatory, or other unacceptable language needs to be avoided in the formulation of Questionnaire.
- Privacy and anonymity of respondents are of a paramount importance.
- Adequate level of confidentiality of the research data should be ensured.
- The research is independent and impartial.

## CHAPTER FOUR

### DATA ANALYSIS AND INTERPRITATION

#### 4.1 Introduction

Generally, this chapter is organized in the following manner: It consists of reliability test for the measures used, the demographic profile of the respondents were presented and analysed. To facilitate ease in conducting the empirical analysis, the results of descriptive analyses were presented first, followed by the results of Pearson's correlation coefficient.

#### 4.2 Samples and response rate

A total of 162 questioners were distributed, and 147 were received back. After excluding 6 invalid questionnaires, a total of 147 valid questionnaires were accepted for a response rate of 92.2%. Therefore, out of the 162 questionnaires distributed, 90.7% of the subjects returned valid questionnaires.

*Table 3: Response rate*

Questionnaires	Respondent's	Valid percentage
Returned	147	90.7%
Invalid	6	3.7%
Not returned	9	5.6%
Total	162	100%

*Source: Survey result 2020*

#### 4.3 Demographic characteristics of respondents

As indicated in Table 4.3(a) out of 147 respondents, 85 (57.4) were males whilst 62(41.9) were Females. This is represented in the Table 4.3(a) below. In this demographic composition Unilever has almost balanced sex composition in selected sample units which is based in women's high competence and company's diversity policy by having young and productive work force that can apply better use of methods to improve organizational performance.

*Table 4: Gender of distribution of respondents*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid percent</b>
Male	85	57.4	57.4
Female	62	41.9	41.9
Total	147	100	100

*Source: Survey result 2020*

As indicated in table 4.3(b), out of 147 respondents, 48 (32.7%) respondents were below 25 years, 64 (43.5 %) respondents were between 25-35, 24 (16.3%) respondents were between 36-45 years, 10 (6.8 %) respondents were between 46-55, whilst 1 (0.7%) respondents were above 55 years. This is represented in the Table 4.3(b) below.

*Table 5: Age distribution of respondents*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid percent</b>
Bellow 25	48	32.7	32.7
25-35	64	43.5	43.5
36-45	24	16.3	16.3
46-55	10	6.8	6.8
Above 55	1	0.7	0.7
Total	147	100	100

*Source: Survey result 2020*

As shown in table 4.3(c) out of 147 respondents, 71 (48.3%) respondents had First Degree, 36(24.5%) respondents had Diploma, 31(21.1%) respondents were second degree and above holders, whilst 9 (6.1%) respondents were below diploma. This is represented in the Table 4.3(c) below. This shows that Unilever has an educated work force that can work for the organizational productivity, and this can ensure us the response for the questionnaire which is field by employees" with good educational background to be valid.

*Table 6: Educational level of respondents*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid percent</b>
Below Diploma	9	6.1	6.1
Diploma	36	24.5	24.5
First Degree	71	48.3	48.3
Second Degree and above	31	21.1	21.1
Total	147	100	100

*Source: Survey result 2020*

As indicated in table 4.3(d) out of 147 respondents, 60 (40.8%) respondents were Sales persons, 16(10.9%) respondents were Administrative or clerical staff, 42(28,6 %) respondents were others, 20( 13.6%) respondents were Line managers, whilst 9(6.1%) of respondents were Leadership Teams. This is represented in the table 4.3(d) below. This shows that Unilever moderate number of staffs are field sales in different locations within the country by driving high level selling purpose and profitability.

Table 7: Position of respondents

	Frequency	percent	Valid percent
Sales person	60	40.8	40.8
Administration/Cleric staff	16	10.9	10.9
Leadership Team	9	6.1	6.1
Line Managers	20	13.6	13.6
Others	42	28.6	28.6
Total	147	100	100

Source: Survey result 2020

As indicated in table 4.3(e) out of 147 respondents, 41(27.9%) respondents were between 1-2 years’ service in the organization, 106 (72.1%) respondents were between 2-5 service years in the organization, whilst No respondents were between above 5 service years in the organization as the organization is established 5 years from now. This is represented in the table 4.3(e) below. In this demographic profile the service year of the respondents in the organization as well as in their current position ensures that validity of questionnaire responses that respondents stay enough in organization as well as in their current position to know about the organization and to give valid response even though no employee serves above 5 years as Unilever started business in 2016 GC.

Table 8: Service year of respondents in the organization

	Frequency	Percent	Valid percent
1-2 Years	41	27.9	27.9
2-5 Years	106	72.1	72.1
Above 5 Years	-	-	-
Total	147	100	100

Source: Survey result 2020

#### 4.4 Descriptive statistics of the level of agreement of the respondent's Perception towards different variables of the research

The researcher uses itemized rating scale to construct a range. This range will be used to measure the perception level of the respondents towards each variable. The researcher uses the following formula to construct the range (Shrestha, 2015).

The analysis of this study was done using descriptive statistic or through using central tendency, from these the researcher used the mean scores of each variable. The main reason of using this measurement was to demonstrate the average responses of respondents for each question that was included under each dimensions of the predictor variable and to reach the grand mean of each dimension. Finally, the interpretation is made through using the grand mean of each independent dimension for the aim of achieving partial research objectives of the study.

Itemized rating scale:  $\frac{Max - Min}{5}$

$$= \frac{5 - 1}{5} = 0.80$$

The mean of each individual item ranging from 1- 5 falls within the following interval:

*Table 9: Mean Interval on the perception level of respondents*

<b>Interval of means</b>	<b>Perception</b>
1.00-1.80	Very low
1.81-2.60	Low
2.61-3.40	Medium
3.41-4.20	High
4.21-5.00	Very high

#### **4.5. Analysis of data regarding the role of participative decision making in improving employees Commitment**

This part of study deals with the findings/results of data collected about the role of participative decision making in improving employees commitment towards organizational goal in Unilever Ethiopia, through structured questionnaires and in depth interview for triangulation purpose.

##### **4.5.1 Extent of Employee participation in decision making**

This section of the questionnaire tested the attitude and views about Extent of employee participation in decision making. A series of eight statements were presented to respondents and respondents were asked to rate their level of agreement with each statement. Table 4.5.1 indicates the mean and standard deviation for each item.

According to the data illustrated below, respondents' opinion on Participation to sets organizational mission, Vision and Values is high with mean score of 4.05. Respondents also stated that Participate in planning the organization activities and preparing organizational budget is high with mean score of 4.02. Respondents' attitude towards the extent of which employees participation in decision making is high in the next five statements provided with mean score of 3.96, 4.07, 4.08, 4.14, 3.76 and 3.90. The overall mean for the perception of extent of employee participation in decision making is 3.99,

indicating that the majority of respondents see that participation in decision making is high with regard to the statements specified in the study.

*Table 10: Mean and standard Deviation Extent of Employee participation in decision making*

No	Item	M	SD
1	Participation to sets organizational mission, Vision and Values.	4.05	.719
2	Participate in Planning the organization activities and preparing organizational budget.	4.02	.745
3	Determining the mechanism of Controlling and supervising plan implementation.	3.96	.843
4	Participation in decision Concerning organization policy, rules and regulations and the way to be applied and executed	4.07	.877
5	Employees' participation in decision concerning employees' affaire and disciplinary problem	4.08	.872
6	Extent of participation on issue relating to their work to influence managerial decision	4.14	.708
7	Extent of participation to decide on issues of strategic importance for the organization as a whole	3.76	1.197
8	Decision concerning with implementation of strategic decision such as acquisition and deployment of resource, allocation of duties and specification of secondary objective	3.90	.942

*Source: Survey result 2020*

Key: M= mean and SD =Standard deviation

#### 4.5.2 Employees perception on mechanisms employed by Management in ensuring employees participation in decision making process

This section of the questionnaire tested the attitude and views about mechanisms employed by Management in ensuring employees participation in decision making process. A series of ten statements were presented to respondents and respondents were asked to rate their level of agreement with each statement. Table 4.4.2 indicates the mean and standard deviation for each item.

According to the illustrated data regarding the perception of respondents agree towards establishing and maintaining good employee and management relationship with mean score of 4.06. Respondents also agree that management provide freedom to employees to express their opinion with mean score of 4.07. Furthermore, respondents also noted that management share responsibility with its employees and vice versa with mean score of 3.95. Respondents also responded that management provide relevant and current information to employees independently with mean score of 4.20. Additionally accepting decision made by employees independently is agreed with majority of respondents with mean score of 3.76. These and other statements were agreed by most of respondents making the overall mean for the perception mechanisms employed by Management in ensuring employees participation in decision making process to 3.90, indicating that the majority of respondents are towards agree level agreement with the statements specified in the study.

*Table 11: Mean and Standard Deviation of Employees perception on mechanisms employed by Management in ensuring employees participation in decision making process*

No	Item	M	SD
1	Establishing and maintaining good employee and management relationship	4.06	.714
2	Provide freedom to employees to express their opinion	4.07	.803
3	Share responsibility	3.95	.886
4	Provide relevant and current information to employees on time	4.20	.630

5	Accepting decision made by employees independently	3.76	1.178
6	Explaining to employees what is expected from them	3.73	1.044
7	Allowing team work and group activities.	3.73	.807
8	Provide knowledge development and training to provide skills in group decision and problem solving	3.71	.986
9	Rewards and recognition designed to encourage employees to obtain information, adds skill, take more decision making responsibility	3.81	1.029
10	By providing/allowing/ different type of employee participation (such as Suggestion boxes	4.05	.719

*Source: Survey result 2020* Key: M= mean and SD =Standard deviation

#### **4.5.3 Employees' Perception on Challenge associated with employee participation in decision making**

This section of the questionnaire tested the attitude and views about challenge associated with employee participation in decision making. A series of nine statements were presented to respondents and respondents were asked to rate their level of agreement with each statement. Table 4.5 indicates the mean and standard deviation for each item.

The data illustrated in table 4.5.3 shows that respondents have agreeing level of agreement about Employees low level of concern/willingness with mean score of 4.02. However, they also have disagreeing attitude toward Lack of trust between employees and management with mean score of 2.96. In addition, respondents were neutral to the statement of Lack of Management Commitment to involve with mean score of 3.07. Respondents also point out about Employees' beliefs that decision making is not their responsibility with mean score of 2.08. In addition managers' beliefs that decision making is their sole responsibility with a mean score of 3.14 and a mean score of 2.76 for lack of participative management style or culture in organization. Regarding scarcity of resources responders disagreed that resources like time, information and materials are not readily available with a mean score of 2.90. However, fear of taking risks is agreed on majority of respondents with a mean score of 4.06. The overall mean for challenge associated with employee participation in

decision making is 3.11, indicating that the majority of respondents are towards neutral level of agreement with the statements specified in the study.

*Table 12: Mean and Standard Deviation of Employees' Perception on Challenge associated with employee participation in decision making*

No	Item	M	SD
1	Employees low level of concern/willingness	4.02	.745
2	Lack of trust between employees and management	2.96	.843
3	Lack of Management Commitment to involve	3.07	.877
4	Employees' beliefs that decision making is not their responsibility	2.08	.872
5	Managers' beliefs that decision making is their sole responsibility	3.14	.708
6	Lack of participative management style or culture in organization	2.76	1.197
7	Lack of available resource (time, information, materials, etc.)	2.90	.942
8	Fear of taking risks by employees themselves	4.06	.714
9	Managers concern of their power and authority is weakened	3.07	.803

*Source: Survey result 2020* Key: M= mean and SD =Standard deviation

#### **4.5.4 Employees' perception regarding participative decision making (PDM) in improving employees Commitment towards organizational goal**

This section of the questionnaire tested the attitude and views about PDM and improved employee commitment. A series of thirteen statements were presented to respondents and respondents were asked to rate their level of agreement with each statement. Table 4.5.4 indicates the mean and standard deviation for each item.

The overall mean for the perception PDM and improved employee commitment is 3.86 indicating that the majority of respondents are towards agreeing level agreement with the statements specified in the study.

*Table 13: Employees' perception regarding participative decision making (PDM) in improving employees Commitment towards organizational goal*

No	Item	M	SD
1	PDM positively affects the way I do my work	3.95	.886
2	PDM enables me to share responsibility with the managers for success of Unilever goal	4.20	.630
3	PDM increase my sense of belongingness by boosting my commitment, thus leading to increase my productivity to Unilever	3.76	1.178
4	I am willing to put in a great deal of effort beyond that normally expected in order to help Unilever to be successful	3.73	1.044
5	I would accept almost any type of job assignment in order to keep working for Unilever	3.73	.807
6	I am proud to tell others that I am part of Unilever	3.71	.986
7	Unilever really inspire the very best in me in a way of job performance	3.81	1.029
8	For me Unilever is the best of all possible organization for which to work.	3.92	.754
9	I am satisfied with my working conditions	3.86	.904
10	I would be very happy to spend the rest of my career in Unilever	4.04	.748
11	Employees are trusted to make decision about their work process so that they can improve performance quickly to Unilever	3.84	.884

12	Employees are organized so teams can work together with the common objectives of improving organizational goal	3.90	.942
13	I am satisfied as to how my co-works get along with each other	3.95	.886

*Source: Survey result 2020* Key: M= mean and SD =Standard deviation

#### **4.6 Comparison of employees Perception on constructs of participative decision making**

Table 4.6 below show the overall means of all items for the PDM of Unilever employees. According to the findings of the means timeliness of drivers represented the highest overall mean score (mean= 3.99).

*Table 14: Comparison of employees' perception on constructs of participative decision making*

<b>Construct</b>	<b>Mean score</b>	<b>Rank</b>
Participation Extent	<b>3.99</b>	1 <sup>st</sup>
Managing Mechanism	<b>3.90</b>	2 <sup>nd</sup>
Employee Commitment	<b>3.86</b>	3 <sup>rd</sup>
Challenges in PDM	<b>3.11</b>	4 <sup>th</sup>

*Source: Survey result 2020*

#### **4.7 Correlation analysis: relationship between the study variables**

In this study Pearson's correlation coefficient was used to determine whether there is significant relationship between price, time, application, car, and call with satisfaction of employees. Pearson's coefficient of correlation is the most widely used method of measuring the degree of relationship between two variables. This coefficient assumes there is linear relationship between the two variables; that the two variables are casually related (Kothari, 2004).

The following section presents the results of correlation on the relationship between independent variables and dependent variable. Table 4.7 below indicates that the correlation

coefficients for the relationships between independent variables (and its dependent variable are linear and positive ranging from moderate to strong correlation coefficients.

*Table 15: Correlation analysis: relationship between the study variables*

		<b>Participation Extent</b>	<b>Management Mechanism</b>	<b>Challenges in PDM</b>	<b>Employee commitment</b>
Employee Commitment	Pearson Correlation	.687**	.628**	.684**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	147	147	147	147
** . Correlation is significant at the 0.01 level (2-tailed).					

*Source: Survey result 2020*

As it is clearly indicated in Table 4.7, a moderate to strong and positive relationship was found between employee Commitment and Participation extent ( $r = .687$ ,  $p < .05$ ), management mechanism and employee commitment ( $r = .628$ ,  $p < .05$ ), challenges in participative decision making and employee commitment ( $r = .684$ ,  $p < .05$ ) which are statistically significant at 95% confidence level.

## **4.8 Multiple Linear Regression**

### **4.8.1 Assumptions Testing in Multiple Regression**

The basic assumptions should be satisfied in order to maintain data validity and robustness of the regressed result of the research under the multiple regression models. Hence, this study has conducted the assumption tests such as, Multi-Collinearity, outliers, autocorrelation, homoscedasticity, linearity, and normality.

#### **4.8.1.1 Sample size**

Different authors tend to give different guidelines concerning the number of cases required for multiple regressions. Tabachnick and Fidell (2001) give a formula for calculating sample size requirements, taking into account the number of independent variables to use:

$N > 50 + 8m$  (where  $m$  = number of independent variables). In this study three independent variables had existed and cases were 160. Therefore, the study satisfied sample size assumption.

#### 4.8.1.2 Multi Collinearity

Multi Collinearity is checked using correlations between the variables in the model. Independent variables show at least some relationship with dependent variable (above 0.3 preferably). In this case all of the scales (independent variables) correlate substantially with employee commitment ( $r = .687$ ,  $r = .628$  and  $r = .684$ ) respectively.

Collinearity diagnostics on the variables as part of the multiple regression procedure is done using Tolerance and Variance Inflation Factor (VIF). Tolerance is an indicator of how much of the variability of the specified independent is not explained by the other independent variables in the model. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi Collinearity (Pallant, 2010). Variance Inflation Factor (VIF) is just the inverse of the tolerance value (1 divided by tolerance). According to Pallant, (2010), VIF values above 10 would be a concern, indicating multi Collinearity. The result shows that the tolerance value for each independent variable is (0.644, 0.396 and 0.325) respectively. Therefore, multi Collinearity assumption is not violated. This is also supported by the VIF value, which is 1.552, 2.527 and 3.077 which is well below the cut-off value of 10.

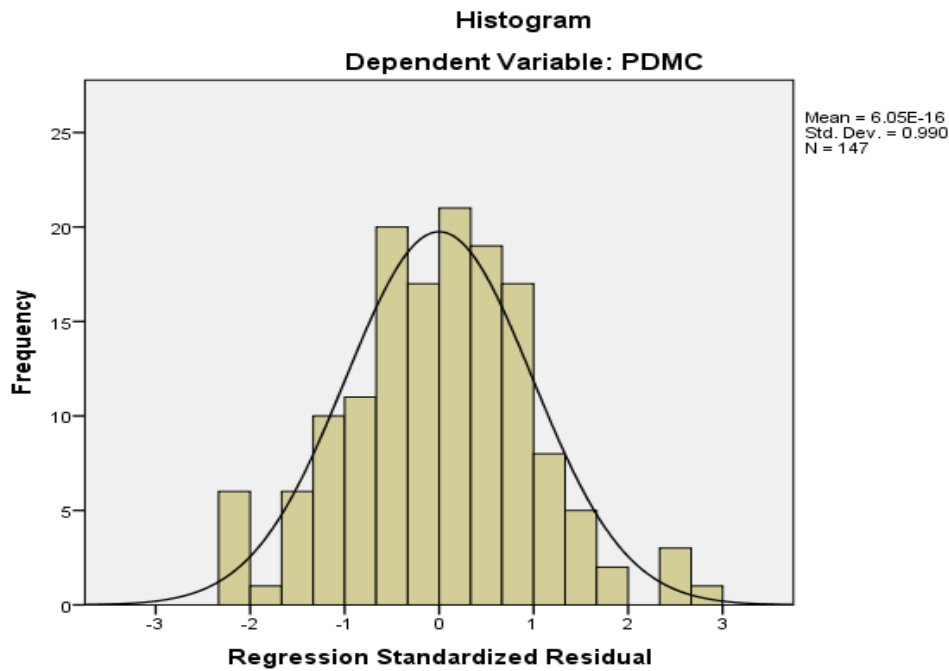
*Table 16: Correlation analysis: relationship between the study variables*

	<b>Tolerance</b>	<b>VIF</b>
Participation Extent	.644	1.552
Management Mechanism	.396	2.527
Challenges in PDM	.325	3.077

### 4.8.1.3 Normality and Linearity

One of the ways that these assumptions can be checked is by inspecting the residuals scatter plot and the normal probability plots of the regression standardized residuals that were requested as part of the analysis. These are presented in normal P-P Plots of regression standardized residuals graph. In normal probability plots the points will lie in reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. The finding from normal P=P Plot reveals no violation of normality assumptions.

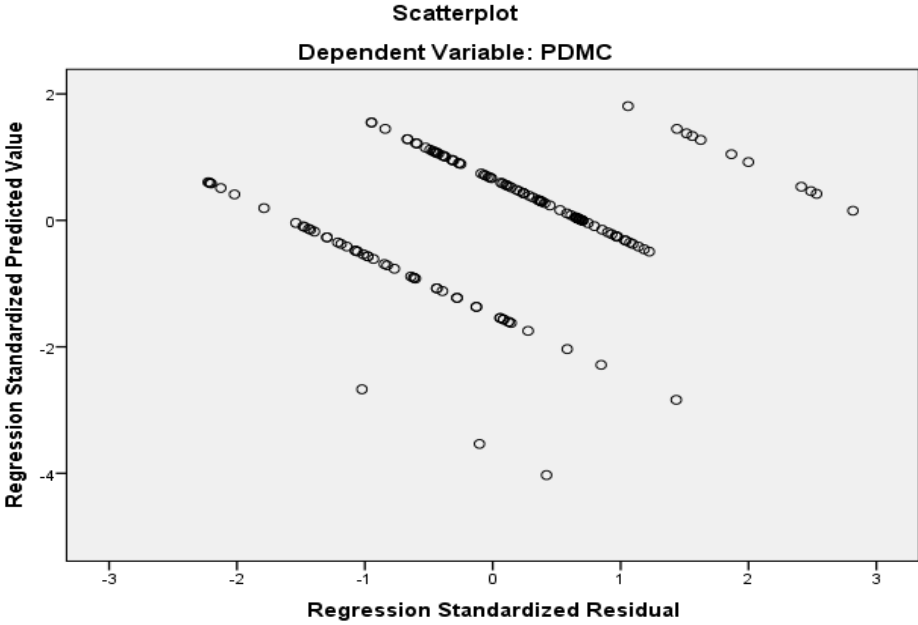
Figure 6: Histogram of Regression Standardized Residual



Source: Survey Result 2020

The study used both methods of assessing normality; graphically using Normal Probability Plot (P-P) graph and numerically using Skewness and Kurtosis. Figure 4.1, depicted that the scores are normally distributed.

Figure 7: Linearity scatter plot of regression standardized residual



Source: Survey result 2020

The Skewness value provides an indication of the symmetry of the distribution while kurtosis provides information about the sharpness of the peak of a frequency-distribution curve. For variables with normal distribution the values of Skewness and kurtosis are zero, and any value other than zero indicated deviation from normality (Hair, 2010). According to Hair (2010), the most commonly acceptable value for (kurtosis/skewness) distribution is  $\pm 2.58$ . Therefore; as it can be seen in the following table, the kurtosis and skewness values of the variables fall within the range.

Table 17: Skewness and Kurtosis

	N	Mean	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Participation Extent	365	4.0530	-.817	.128	.254	.255
Management Mechanism	365	4.1041	-1.141	.128	1.341	.255
Challenges in PDM	365	3.8452	-.458	.128	.402	.255
Employee commitment	365	3.7370	-.162	.128	-.945	.255

Source: Survey result 2020

#### 4.9 Multiple Regression Analysis

Multiple regression analysis was employed to examine the influence of consultative selling (price, Time, Application, Car and Call) on employees' satisfaction.

Table 18: Model Summary

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.732 <sup>a</sup>	.536	.526	.43842	1.505
a. Predictors: (Constant), PDM, MGMT.M, PRTCPTN					
b. Dependent Variable: PDMC					

**Source: Survey result 2020** Key: PDM participative decision making, MGMT management, PRTCPTN participation, PDMC participative decision making and challenges.

The regression model presents how much of the variance in the measure of employee commitment is explained by the diversification elements. The predictor variables i.e. participation extent, Management Mechanism and Challenges in PDM 73.2% of adjusted R square which indicates 52.6% of employee commitment was explained by the variation of the three predictor variables.

*Table 19: Coefficientsa*

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. err	Beta			Tolerance	VIF
1	(Constant)	.546	.342		1.598	.112		
	PRTCPTN	.809	.254	.654	3.188	.002	.077	12.967
	MGMT.M	.526	.128	.365	4.121	.000	.414	2.416
	PDM	-.262	.293	-.208	-.894	.373	.060	16.700
a. Dependent Variable: PDMC								

**Source: Survey result 2020** Key: PRTCPTN participation, MGMT.M management mechanism, PDM participative decision making, PDMC participative decision making and challenges.

The significance levels for all independent variables are less than 0.05. This indicates that there is a strong positive and significant relationship between the independent variables (participation extent, management mechanism and challenges in PDM) and dependent variable (employee commitment). The standardized beta value for employee commitment

is 0.546. This indicates that time has relatively strong degree of importance for customer overall satisfaction.

$$EC = \alpha + \beta_1 (PRT) + \beta_2 (M) + \beta_3 (CPDM) + e$$

$$EC = 0.546 + 0.809PRT + 0.526M - 262 CPDM + e$$

Where;

EC = Employee commitment

PRT = Participation Extent

M = Management Mechanism

CPDM = Challenges in participative decision making

Table 20: ANOVA

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.738	3	10.579	155.040	.000 <sup>b</sup>
	Residual	27.486	143	.192		
	Total	59.224	146			
a. Dependent Variable: PDMC						
b. Predictors: (Constant), PDM, MGMT.M, PRTCPTN						

Source: Survey result 2020

(F) Value is (155.040) at 0.000 which states that there is statistically significant effect of variables on overall employee commitment.

## **CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATIONS**

In this section the main findings of the research is summarized and conclusions on major findings is presented. Recommendations are given based on the research findings and the limitation of the study is mentioned. Finally, the study forwarded some suggestions for further investigations.

#### **5.1 Summary of findings**

The study was conducted to investigate the effect of participative decision making and employee commitment. After reviewing previous researches and related literature, three affecting factors were examined and the effect of each on employee commitment was investigated. Participative extent, Management mechanism and Challenges in participative decision making were the three commitment affecting factors in this research.

The study was conducted in Addis Ababa and Dukem on employees of Unilever with a total of 162 respondents participating with answering employee commitment questionnaires distributed throughout different departments.

Among the respondents, 57.4% were males and 41.9% were females with 42.5% of respondents falling in the age range of between 25-35 years and summarized that this demographic composition has almost balanced sex composition in selected sample units which is based in women's high competence and company's diversity policy by having young and productive work force that can apply better use of methods to improve organizational performance.

The result of the survey investigate the level of employee committing factors (Participative extent, Management mechanism and Challenges in participative decision making) as perceived by Unilever employees and the level of employee commitment. This is given by the descriptive statistics of perception towards employee commitment where respondents have shown their attitude with the following results of means score.

- The overall mean for the perception of extent of employee participation in decision making is 3.99, indicating that the majority of respondents see that participation in decision making is high with regard to the statements specified in the study.
- Most of respondents making the overall mean for the perception mechanisms employed by Management in ensuring employees participation in decision making process to 3.90, indicating that the majority of respondents are towards agree level agreement with the statements specified in the study.
- The overall mean for challenge associated with employee participation in decision making is 3.11, indicating that the majority of respondents are towards neutral level of agreement with the statements specified in the study.
- The overall mean for the perception PDM and improved employee commitment is 3.86 indicating that the majority of respondents are towards agreeing level agreement with the statements specified in the study.
- With a moderate to strong and positive relationship was found between employee Commitment and Participation extent ( $r = .687, p < .05$ ), management mechanism and employee commitment ( $r = .628, p < .05$ ), challenges in participative decision making and employee commitment ( $r = .684, p < .05$ ) which are statistically significant at 95% confidence level.
- Multi Collinearity value was ( $r = .687, r = .628$  and  $r = .684$ ) respectively which the Independent variables show at least some relationship with dependent variable (above 0.3 preferably) in this case all of the scales (independent variables) correlate substantially with employee commitment and multiple regression procedure is done using Tolerance and Variance Inflation Factor (VIF) if the value of tolerance is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi Collinearity (Pallant, 2010) in which According to Pallant, (2010), VIF values above 10 would be a concern, indicating multi Collinearity. The result shows that the tolerance value for each independent variable is (0.644, 0.396 and 0.325) respectively. Therefore, multi Collinearity assumption is not violated. This is also supported by the VIF value, which is 1.552, 2.527 and 3.077 which is well below the cut-off value of 10.

- The regression model presents how much of the variance in the measure of employee commitment is explained by the diversification elements. The predictor variables i.e. participation extent, Management Mechanism and Challenges in PDM 73.2% of adjusted R square which indicates 52.6% of employee commitment was explained by the variation of the three predictor variables.
- Finally, the standardized beta value for employee commitment is 0.546. This indicates that time has relatively strong degree of importance for employees' overall satisfaction. (F) Value is (155.040) at 0.000 which states that there is statistically significant effect of variables on overall employee commitment.

## **5.2 Conclusion**

The study examine the effect of participative decision-making on improving employees' commitment towards organizational goals. More particularly, it aims to investigate stakeholders' perceptions and experience in company management and decision-making. According to the research findings, all three of the employee commitment affecting factors had a positive and significant influence on employee commitment. Participation extent had the highest influence on employee commitment followed by challenges in PDM and management mechanism. Therefore, the findings provided that participative decision making has positive impact on employees' commitment towards organizational goal. This demonstrates the importance of participatory decision making to enhance employees' commitment to accept and work for success of organization goal and strategies. Thus the organization need to pay attention and stick to it. In this regard, it can be concluded about how each tools of variables mentioned influence employees commitment.

## **5.3 Limitation of the study**

- The major constraints faced by the researcher while conducting this study were: First, lack of empirical research on the related study area especially in our country, and also the non-availability of adequately published and documented data on the topic.
- Second, lack of previous studies on the area globally as well as in Ethiopia and lack of secondary data which measures Participative decision making which

enforces the researcher to depend on only primary data which is collected through structured questionnaire.

- The last but the major constraints was current situation (COVID-19) which restricted the researcher not to conduct interview so that researcher was forced to eliminate interview data.

## **5.4 Recommendations**

From the results of the research, it has been observed that employees responded positively to the management practice in the company (UNILEVER). Accordingly, given the significantly positive relationships between the variables, therefore, in the light of this, the following recommendations have been given for better and more impact of employee commitment.

According to the research findings the researcher recommends that employees and the company's managers should invest in improving the decision making platform in which both parties are engaged in so that they can reap the rewards of both satisfied employees. The study has demonstrated that being an manager of Unilever has a big influence in improving commitment of their employees by demonstrating good communication skills and showing empathy to employees. Although it is widely assumed that a managers acquire most of their skills from formal education, informal moderations are needed mostly through practical experience and interactions with employees.

The following recommendations are drawn from this research:

- Company managers should provide on the job trainings and skill development programs on how to sensitively deal with employee concerns, how to communicate positively and effectively with employees and how to successfully address both the employee needs and business interests of the company.
- The conclusions from this study imply that UNILEVER have to consider effective and comprehensive decision making platform as an enabling environment. By improving and increasing efficiency of the platform, the company can stand out with the services having efficient and comprehensive platform that can satisfy company needs.

- According to the study challenges in PDM is in the average rank of opinion by the respondents. In the world on competition mild way of doing business is a risky way of doing it. The company (UNILEVER) should increase the numbers and well and supervised platforms of resources that can decrease complaints raised by employees.
- One of the things many employees appreciate about UNILEVER is that compared to other beauty and personal care companies Unilever has proved itself that it providing its service with better top level management. But still there are shortcomings related to this as conditions of middle and lower level management. So the company should open up to average employee on the conditions of decision that is enforceable on all departments.

### **5.5 Future research**

This study is conducted only based on data collected from Unilever Ethiopia. However the Role of PDM in improving employees 'commitment needs to be expanded to other sectors in order to identify whether the same results and conclusions could be obtained since it has the potential benefit in indicating direction to achieve organizational goals which results increased employees' commitment.

This study is conducted based on self-report measure in which respondents might have answered questions in the sense of biasness for the reputation of their working industry or for the sake of giving what they think as socially desirable answer for the questionnaire and also future research should examine the role of different types of participation such as financial and indirect participation on the employees 'commitment.

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Annex: A

## Structured Questionnaire



**Addis Ababa University**  
**College of Business and Economics**  
**Department of Business Administration**

*Dear Participant,*

This questionnaire is designed to conduct a research on the topic of *Effect of participative Decision-Making on improving employees' commitment towards organizational goals.*

The purpose of the study is for the partial fulfillment of the requirements of MBA Degree in Management at Addis Ababa University, College of Business and Economics. For the successful accomplishment of the research, the genuine response of the employees of the Unilever will have an important role and the responses will be used as a valuable and primary input for the study. For this reason, you are kindly requested to take few minutes of your busy schedule and genuinely fill this questionnaire.

**Confidentiality:** This research would like to assure you that this research is only for academic purpose for Partial fulfillment of the Requirements for the Degree of Masters of Business Administration in Management in Addis Ababa University. No other person will have access to data collected. In any sort of report published, the researcher will not include any private information that will make it possible to identify any respondent.

**INSTRUCTIONS:** Please read each statement carefully and decide if you ever felt this way about your work and work environment. Please aware that there is no right or wrong answers.

You have to give your own opinion about each item. Please circle your response to each statement according to the following five-point scale in terms of your own agreement and disagreement of the statement.

**Thank you in advance for your genuine, honest, and prompt response!**

**Part one-Demographic Information.**

1) Could you please indicate your position within the organization by ticking one the following employee categories.

- a. salesperson
- b. Administration/clerical staff
- c. Leadership Team
- d. Line Managers
- e. Other \_\_\_\_\_

2) Please state your age group (by ticking one box only).

- a. Below 25
- b. 25- 35
- c. 36- 45
- d. 46- 55
- e. Above 55

3) Please indicate whether you are male or female.

- a. Female
- b. Male

4) Could you please indicate your Qualification?

a. Below diploma

b. Diploma

c. First Degree

d. Second Degree and Above

5) Please State your total service year in the organization.

a. 1- 2 years

b. 2- 5 Years

c. Above 5 years

**Part Two - Questions pertaining to Extent of employee participation in decision making.**

**Direction:** The following items are some of the decision areas in which employees expected to be participate. Please indicate the extent of employees' participation in decision making individually or as a group in your organization. *Indicate your answer by circle your response to each statement according to the following five-point scale in terms of your own agreement and disagreement of the statement.*

**KEY:** (1) Very Low; (2) Low; (3) Medium; (4) High; (5) Very High

Extent employees' participation in decision Making.						
1	Participation to sets organizational mission, Vision and Values.	1	2	3	4	5
2	Participate in Planning the organization activities and preparing organizational budget.	1	2	3	4	5

3	Determining the mechanism of Controlling and supervising plan implementation.	1	2	3	4	5
4	Participation in decision Concerning organization policy, rules and regulations and the way to be applied and executed.	1	2	3	4	5
5	Employees' participation in decision concerning employees' affaire and disciplinary problem.	1	2	3	4	5
6	Extent of participation on issue relating to their work to influence managerial decision.	1	2	3	4	5
7	Extent of participation to decide on issues of strategic importance for the organization as a whole.	1	2	3	4	5
8	Decision concerning with implementation of strategic decision such as acquisition and deployment of resource, allocation of duties and specification of secondary objective.	1	2	3	4	5

9) Dear respondent I kindly ask you to list out if there is other area of decision you involve in the organization on the space provided below

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**Part Three – Question pertaining to techniques employed by Management to ensure employees participation in decision making process.**

**Direction:** The following are the expected mechanism that to be employed by managers to ensure employees participation in decision making process. *Indicate your answer by circle your response to each statement according to the following five-point scale in terms of your own agreement and disagreement of the statement.*

(1) Strongly Disagree; (2) Disagree; (3) Undecided; (4) Agree; (5) Strongly Agree

<b>Techniques employed by Management to ensure employees</b>						
1	Establishing and maintaining good employee and management relationship.	1	2	3	4	5
2	Provide freedom to employees to express their opinion.	1	2	3	4	5
3	Share responsibility	1	2	3	4	5
4	Provide relevant and current information to employees on time	1	2	3	4	5
5	Accepting decision made by employees independently.	1	2	3	4	5
6	Explaining to employees what is expected from them.	1	2	3	4	5
7	Allowing teamwork and group activities.	1	2	3	4	5
8	Provide knowledge development and training to provide skills in group decision and problem solving.	1	2	3	4	5
9	Rewards and recognition designed to encourage employees to obtain information, adds skill, take more decision making responsibility.	1	2	3	4	5
10	By providing/allowing/ different type of employee participation (such as Suggestion boxes.)	1	2	3	4	5

11) If there is any other mechanism employed by Management to encourage employees PDM, in your organization, please list out below

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**Part four- Question pertaining to Challenge associated with employee participation in decision making.**

**Direction:** The following items are expected challenges associated with employees' participation in decision making. *Indicate your answer by circle your response to each statement according to the following five-point scale in terms of your own agreement and disagreement of the statement.*

(1) Strongly Disagree; (2) Disagree; (3) Undecided; (4) Agree; (5) Strongly Agree

<b>Challenges associated with employees PDM.</b>						
1	Employees low level of concern/willingness.	1	2	3	4	5
2	Lack of trust between employees and management	1	2	3	4	5
3	Lack of Management Commitment to involve.	1	2	3	4	5
4	Employees' beliefs that decision making is not their responsibility.	1	2	3	4	5
5	Managers' beliefs that decision making is their sole responsibility.	1	2	3	4	5
6	Lack of participative management style or culture in organization.	1	2	3	4	5
7	Lack of available resource (time, information, materials, etc.)	1	2	3	4	5
8	Fear of taking risks by employees themselves.	1	2	3	4	5
9	Managers concern of their power and authority is weakened.	1	2	3	4	5

10) If there are any other challenges associated with employees' participative decision making in organization decision making, please list them on the space provided below.

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**Part Five: Question pertaining to effect of participative decision making (PDM) in improving employees Commitment towards organizational goal.**

(1) Strongly Disagree; (2) Disagree; (3) Undecided; (4) Agree; (5) Strongly Agree.

**Direction:** - The following items are considered as effect of participative decision making in improving employees commitment towards organizational goal. *Indicate your answer by circle your response to each statement according to the following five-point scale in terms of your own agreement and disagreement of the statement.*

Role of PDM in improving commitment towards organizational goal.						
1	PDM positively affects the way I do my work.	1	2	3	4	5
2	PDM enables me to share responsibility with the managers for success of Unilever goal.	1	2	3	4	5
3	PDM increase my sense of belongingness by boosting my commitment, thus leading to increase my productivity to Unilever.	1	2	3	4	5
4	I am willing to put in a great deal of effort beyond that normally expected in order to help Unilever to be successful.	1	2	3	4	5
5	I would accept almost any type of job assignment in order to keep working for Unilever.	1	2	3	4	5
6	I am proud to tell others that I am part of Unilever.	1	2	3	4	5
7	Unilever really inspire the very best in me in a way of job performance.	1	2	3	4	5
8	For me Unilever is the best of all possible organization for which to work.	1	2	3	4	5
9	I am satisfied with my working conditions	1	2	3	4	5
10	I would be very happy to spend the rest of my career in Unilever.	1	2	3	4	5
11	Employees are trusted to make decision about their work process so that they can improve performance quickly to Unilever.	1	2	3	4	5
12	Employees are organized so teams can work together with the common objectives of improving organizational goal.	1	2	3	4	5

13	I am satisfied as to how my co-works get along with each other.	1	2	3	4	5
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**14)** If there is other effects of participative decision making in improving employee commitment in your organization please list them on the space provided below.

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**15)** Would you like to add any information about employees' participation in decision making in your organization? (If so, you can use the attached space or you can use separate sheet for answer)

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**THANK YOU FOR COMPLETING THIS QUESTIONNAIRE!!**