Abstract

Improvement in the quality of work life is imperative to workers performance. Workers rely on their unions to negotiate better terms and conditions of work on their behalf. However, without proper recognition of workers right to participate in decision-making, it becomes a difficult task to arrive at a beneficial agreement which in turn may influence organizational productivity. The prospects and challenges of participative management are investigated in the study. A survey of one hundred and twenty (120) respondents drawn from selected public and private sector organizations in Lagos State was conducted using the simple random sampling technique. Data was generated from respondents through the questionnaire using a five point Likert type scale. The findings indicate that participative management is still new in Nigeria. Its success is affected by managers feeling secure in their positions, by the level of education of workers and their representatives. Again participative management facilitates industrial peace and harmony.

Introduction

Participative management is one of the strategies adopted by managers to meet human resources challenges and gain competitive advantage in industry. Participative management entails a situation where both management and employees are jointly involved in the decision-making process. Armstrong (2006) notes that the objective of participative management is to produce better solutions to problems that will benefit all concerned. Therefore, participative management satisfies economic, psychological, and social needs of employees. Rao and Rao (1996) affirm that it gives a sense of significance, pride and accomplishment, freedom and opportunity for self-expression, a feeling of belonging to the place of work and a sense of creativeness to the employees. In the Nigerian context, collective bargaining and joint consultation are the most common forms of participative management while, elements of quality circle and self managed teams are becoming part of the private sector managerial strategies. However, the extent to which workers are allowed to contribute in decision-making is not very clear. Management often takes unilateral decisions as regards substantial issues such as wages, hours of work, etc without consultation with workers.

The Problem

Participative management is gradually becoming the order of the day in business circles. Some management practitioners have argued that it is now an essential part of strategic management. This study investigates the prospects and the challenges of participative management. It specifically looks at those factors that may impede effectiveness of participative management in an organization.

Literature Review

The Concept of Participative Management

According to Walker (1974), workers participation in management occurs when those at the bottom of an enterprise hierarchy take part in the authority and managerial functions of the enterprise, so that employees become involved in extended areas of decision-making and control, which had
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previously been reserved exclusively as managerial prerogatives. Dufrene (2006) noted that participative management, otherwise known as employee involvement or participative 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 firm by participating in activities such as setting goals, determining work schedules, and making suggestions. French (1998) asserts that other forms of participative management include job enrichment; forming self-managed teams, quality circles, or quality–of-work-life committees and soliciting survey feedback. In the same vein, Otobo (1995) contends that participative management involves more than allowing employees to take part in making decisions. It also involves management treating their ideas and suggestions with considerations and respect. Davis (1981) emphasizes that participative management is an institutionalized worker’s participation which emphasizes changing the balance of decision-making within the firm.

The Process of Participative Management

Robins (1985), submits that four processes influence participation. These processes create employee involvement as they are pushed down to the lowest levels in an organization. The farther down these processes move, the higher the level of involvement by employees. The first is information sharing which is concerned with keeping employees informed about the economic status of the company. Second is training which involves raising the skills levels of employees and offering developmental opportunities that allow them to apply new skills to make effective decisions regarding the organization as a whole. Third is employee decision making which can take many forms, ranging from determining work schedule to deciding on budgets or processes. Fourth is reward which should be tied to suggestions and ideas as well as performance.

Benefits of Participative Management

According to Dufrene (2006) a participative management style offers various benefits at all levels of the organization. By creating a sense of ownership in the company, participative management instills a sense of pride and motivates employees to increase productivity in order to achieve their goals. Fajana (2000) observes that managers who use participative styles 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. French (1998), notes that participation keeps employees informed of upcoming events so that they will be aware of potential changes. The organization can then place itself in a retroactive mode instead of a reactive one, as managers are able to quickly identify areas of concern and turn to employees for solutions. Fajana (2000) adds that creativity and innovation are two important benefits of participative management. By allowing a diverse group of employees to have input into decisions, the organization benefits from the synergy that comes from a wider choice of options. When all employees instead of just managers or executives, are given the opportunity to participate, the chances are increased that a valid and unique idea will be suggested.

Conditions Necessary for Effective Participative Management

French (1998) asserts that a common misconception by managers is that participative management involves simply asking employees to participate or make suggestions. In order for participative management to work, several issues must be resolved and several requirements must be met. First, managers must be willing to relinquish some control to their workers; managers must feel
secure in their position in order for participation to be successful. Roberts (1985) opines that the success of participative management depends on careful planning and a slow, phased approach. Changing employees’ ideas about management takes time, as does any successful attempt at a total cultural change from a democratic or autocratic style of management to a participative style. Rao and Rao (1996) indicate that effective participation involves managers being genuine and honest in implementing the programme. Employees need to consistently see proof that their ideas are accepted or at least seriously considered.

Stoner, Freeman and Gilbert (1995) affirm that successful participation requires managers to approach employee involvement with an open mind. While the manager may not agree with every idea or suggestion an employee makes, how those ideas are received is critical to the success of participative management. Jones, George and Hill (2001) add that employees must also be willing to participate and share their ideas. Fajana (2000) observes that another important element for implementing a successful participative management style is the visible integration of employees’ suggestion into the final decision or implementation. Employees need to know that they have made a contribution. Offering employee a choice in the final decisions is important because it increases their commitment, motivation, and job satisfaction.

Dachler and Wilpert (1978) however note that participative management is not a magic cure for all that ails an organization. Managers must realize that changes will not take effect overnight and will require consistency and patience before employees will begin to see that management is serious about employee involvement.

The Nigerian Perspective of Participative Management

One of the major objectives of the National Policy in Nigeria, as elsewhere is to promote democracy in industry. The system of deputation relations is regarded as subjective, since the sense of responsibility for decisions of the enterprises is not shared by the management with the employee. Joint consultation and collective bargaining on the other hand, are regarded as basically democratic because both sides meet directly, or through representatives, to consider and agree, or disagree, on matters arising out of or in connection with the productive process or contract of employment. The matters which normally come within the purview of collective bargaining and joint consultation, however, have tended by tradition to be those directly affecting the worker-hours of work, wages, levels and methods of output, safety, workers welfare schemes, etc. According to Fashoyin (1999), the road that workers trod to attain the recognition and right even to participate in these issues was a long, stormy and often bitter one. Yesufu (1984) contends that the issues at stake were, at first, essentially how to humanize the conditions of work but the argument shifted to embrace not just the question of improving the conditions of work, but of the right of the worker himself to participate in the decision-making process as of right. Increasingly, however, the argument and the trend are for and towards participation of employees in decision-making at the management level. To those committed to the democratic principle the argument for workers’ participation in management is unassailable. To those acquainted with the complicated nature of the productive process and the intricacies of management, on the other hand, it is an over-simplified case.

Fashoyin (1999), further stresses that industrial democracy or participative management has come to be applied not merely to the right of, and machinery to enable the worker to participate in decisions which affect him directly. It represents recognition of the “right” of workers, a provider of labour, to participate in decisions and take part of the responsibility. Yesufu (1984), submits that the question is how participative management can best be effected short of transferring property rights to workers and thereby leaving management entirely in their hands, each country each industry and each
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Enterprise must somehow work out system of work participation most suited to it. Yesufu adds that at the present stage of economic development and the labour movement in Nigeria, it is difficult to sustain any insistence of direct worker participation in management participation. The democratic influence or goal could be achieved in the extension of the scope of joint consultation rather than direct, such as sitting on boards. It is important that when major decisions are contemplated, the employees should be consulted, through the union or through the established joint industrial councils or standing joint consultative committees. It is perhaps even more important to ensure that such consultation is sincere and effective. This implies that those consulted are adequately briefed and that their views are taken into account before the final decision is made. Where strongly held views are not accepted, the reasons for their rejection must be fully, political and expeditiously explained. Where the views have led to a change in management position, it should be equally acknowledged.

**Research Hypotheses**

The study tested the following hypotheses:

- **H₀₁:** There is no positive relationship between the success of participative management and managers feeling secure in their positions.
- **H₀₂:** Participative management does not facilitate industrial peace and harmony.
- **H₀₃:** The success of participative management is not affected by the level of education of workers and their representatives.
- **H₀₄:** There is no significant difference between participative management practices in the public and private sectors in Nigeria.

**Data Collection**

The study conducted a survey of one hundred and twenty (120) respondents drawn from selected public and private sector organizations in Lagos using the simple random sampling technique. Data was generated from respondents through the questionnaire using a five point Likert scale.

**Test of Hypotheses**

The formulated hypotheses are hereby treated using the chi-square statistical analysis techniques.

**Hypothesis I**

**H₀:** There is no positive relationship between the success of participative management and managers feeling secure in their positions.

**Table 1 Participative Management and Managers feeling secure in their Positions**

<table>
<thead>
<tr>
<th>Responds</th>
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<th>N</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
<th>X² calc</th>
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<th>Rem.</th>
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<tbody>
<tr>
<td></td>
<td>27 (0.375)</td>
<td>22 (0.167)</td>
<td>10 (8.167)</td>
<td>32 (2.67)</td>
<td>9 (1.042)</td>
<td>120</td>
<td>12.42</td>
<td>9.49</td>
<td>4</td>
<td>0.05</td>
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The chi-square calculated value of 12.42 is greater than the table value of 9.49 at 4 degree of freedom and 0.05 level of significance, the null hypothesis is hereby rejected while, the alternative hypothesis is accepted. Hence, there is positive relationship between the success of participative management and manager’s feeling of security.
The Challenges And Prospects Of Participative Management In Nigeria

Hypothesis 2
H₀: Participative management does not facilitate industrial peace and harmony.

Table 2 Participative management and industrial peace and harmony.
The chi-square calculated value of 36.09 is greater than the table value of 9.49 at 4 degree of freedom and 0.05 level of significance, the null hypothesis is hereby rejected. This result indicates that participative management facilitates industrial peace and harmony. Participative management, otherwise known as employee involvement of participative 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.

Hypothesis 3
H₀: The Success of Participative management is not affected by the level of education of worker’s and their representatives

Table 3 Participative Management and Level of Education of Workers and their Representatives.
The Chi-Square Calculated Value Of 32.9 Is Greater than the Table Value of 9.49 At 4 Degree of alternative hypothesis shall be accepted. Hence, there is positive relationship between the success of participative management and the level of education of workers and their representatives.

Hypothesis 4
H₀: There is no significant difference between participative management practices in the public and private sectors in Nigeria.

Table 4: Participative Management Practices In The Public and Private Sectors
The chi-square calculated value of 32.70 is greater than the table value of 9.49 at 4 degree of freedom and 0.05 level of significance, the null hypothesis is hereby rejected. This result indicates a significant difference between participative management practices in the public and private sectors.

Discussion of Findings
The findings of this study in the first hypothesis indicate that for effective participation managers must be willing to relinquish some control to their workers; managers must feel secure in
their positions in order for participation to be successful. Where this is not the case the managers’ insecurity result in their feeling threatened by subordinates and employees and this negatively affects participation because they are not willing to delegate or relinquish control, in which case participation is not encouraged.

The second hypothesis indicates that participative management facilitates industrial peace and harmony. It encourages the involvement of stakeholders at all levels of an organization in the analysis of problems, development of strategies, and implementation of solutions. Sometimes even just presenting several alternatives and allowing employees to choose from them is as effective as if they thought of the alternatives themselves. The key is to build employee confidence so their ideas and decisions become more creative and sound.

As Omole (2001) posits, the emphasis is on participation of both parties in rule in Nigeria as in many industrializing and industrialized countries, the pre-occupation is with finding ways of promoting industrial peace and harmony which are prerequisites to increased productivity of goods and services. Parties have seen the need for power sharing in decision and rule making aimed at strengthening the participation of everyone.

The study found a positive relationship between the success of participative management and the level of education of workers and their representatives. Participative management does not work with employees who are passive or simply do not care. Many times employees do not have the skills or information necessary to make good suggestions or decisions. In this case it is important to provide them with information or training so they can make informed choices. This confirms the position of Dufrene (2006) that while, it is important that management allows employees to participate in decision making and encourage involvement in the organization’s direction, managers must be cognizant of the potentials of employees. Participative management presupposes effective and active participation (of both labour and management in decision making) which is dependent on the competence of the participants. Participative ability is limited with illiterate or unskilled leaders. Participation helps employees gain a wider view of the organization. Through training, development opportunities, and information sharing, employees can acquire the conceptual skills needed to become effective managers or top executives. It also increases the commitment of employees to the organization and the decisions they make.

The study again, indicates a significant difference between participative management practices in the public and private sectors. In the Nigerian context, participative management includes joint consultation, collective bargaining, or the latest version known as industrial democracy. Workers participate in management, mainly, through their trade union representatives both at the national and organizational level. As Omole (2001) points out, the mode of participative management in the public sector is collective bargaining and its use is few and far between both in the public and private sectors. Really it is almost non-existent in the public sector. However, with the latest move towards privatization and deregulation, some element of participative management is evolving in the public sector.

Recommendations

Based on the findings the study recommends that for participative management efforts to be effective, top management support and involvement is an overriding condition. Managers must therefore be secure in their positions in order for participation to be successful. In addition, since participative management facilitates industrial peace and harmony. It encourages the involvement. Again, there is need not only for more training and education for workers on their job contents and requirements but also in union or labour education in order for participation to be successful.
Participative ability is limited with illiterate leaders. Consequently, the need arises for more union/labour education, specialized trained in participative skill development, extensive training in group dynamics, social psychology, counseling or clinical psychology and consultation skills.

**Conclusion**

This study concludes that participative management enhances performance in the organizations where it is applicable. Management should ensure integration of workers ideas, and opinions into final decision of the enterprise. The extent of workers participation should not be restricted to operational/work arrangements alone. Involvement of union representatives in decision-making should not be limited to crisis situations alone. The approaches to participative management emphasize participation of both parties in rule making with the aim of finding ways of promoting industrial peace and harmony which are prerequisites to increased productivity of goods and services.

However, participative management is not always the appropriate way to handle a given situation. Employees often respect a manager that uses his or her authority and makes decisions when it is necessary e.g. when disciplinary action is needed. However, participative management is not an easy management style to implement. It presents various challenges e.g. it can be threatened by office politics. Also, it does not succeed overnight. Changes will not take effect overnight and will require consistency and patience.

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