PERCEPTION OF SMEs MANAGERS IN ANAMBRA STATE ON THE EXTENT EMPLOYEES' PARTICIPATION IN DECISION MAKING IMPROVE THEIR WORK PERFORMANCE

Ezenwafor, Justina Ifeoma
Technology and Vocational Education Department, Faculty of Education
Nnamdi Azikiwe University, Awka.
&
Mgbe, Blessing Nwamaka
Technology and Vocational Education Department, Nnamdi Azikiwe University, Awka.

Abstract
This study ascertained the perceptions of small and medium scale enterprises managers in Anambra State on the extent employees' participation in decision making improved their work performance. Two research questions guided the study while four null hypotheses were tested at 0.05 level of significance. Descriptive survey research design was adopted for the study. The population of the study comprised 1124 managers of small and medium scale enterprises in Anambra State and a sample of 225 managers of small and medium scale enterprises in the Anambra State was selected through stratified simple random sampling technique. A 25-item validated questionnaire titled Questionnaire on Contributions of Employees' Participation in Decision-Making and Organizational Performance (QCEPDMOP) was used for data collection. The questionnaire was structured on a 5-point likert scale. Test re-test was used for reliability. Pearson Product Moment Correlation was used to analyze the data to obtain reliability coefficient of 0.93 and 0.85 for clusters B_1 and B_2 respectively with overall reliability coefficient of 0.89. Out of the 225 copies of the questionnaire distributed, 209 were retrieved and used for data analysis. Mean, standard deviation, t-test and ANOVA were used for data analysis. Findings of the study revealed that employees' participation in decision making improves their commitment and effective management of resources to a high extent. Also, that gender and years of experience did not affect employees' participation in decision-making. Based on the findings, managers of SMEs in Anambra State should strive to bring in competent employees to the enterprise for effective management of the organization.
Keywords: Employees participation, decision making, SMEs and work performance.

Introduction

Small and Medium Scale Enterprises (SMEs) have been recognized globally as the engine of economic growth and development. SMEs contribute to improved living standards, substantial local capital formation, and high levels of productivity and capability for individuals and nations. SMEs are recognized as the principal

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means of achieving equitable and sustainable industrial diversification and dispersal (Olowe, Moradeyo & Babalola, 2013). According to Oguntolu (2008), small and medium scale enterprises (SMEs) are business organizations set up by individuals or group of individuals known as business operators for the main purpose of providing goods and services. Their classification into small and medium enterprises depends on the scale/size of business these business operators control. These enterprises engage in different types of activities ranging from construction, agro-allied, information technology, manufacturing, educational establishment, business services, tourism and leisure.

Small and Medium-scale Enterprises (SMEs) make up the largest proportion of businesses all over the world and play tremendous roles in employment generation as well as immensely contributing to the Gross Domestic Products (GDP) of many countries (Paul, 2010; Ojeka & Mukoro, 2011). SMEs are very important in many countries including Nigeria because of their role in economic development. The impact of small and medium scale enterprises (SMEs) in any economy is so great that most countries cannot progress economically and industrially without a strong SME sub-sector. Ayozie and Latinwo (2010) outlined the contributions of SMEs to include employment generation, poverty alleviation, utilization of local raw materials, entrepreneurship development, food security, rapid industrialization, reduction of rural-urban migration and increase in the revenue base of government. These contributions are feasible under an effective system which includes good human resource management practices.

Though SMEs are making positive contributions to economic growth and development in Nigeria, the rate of failure is high. According to West and Wood (2012), 90 percent of all business failures result from lack of experience and competence. West and Wood also added that inefficiency in overall business management and poor record keeping is a major feature of most SMEs; technical problems/competence and lack of essential and required expertise in production, procurement, maintenance, marketing and finances have always led to funds misappropriation, wrong and costly decision making. In today's rapidly changing business environment, small and medium scale enterprises are forced to find ways of being more competitive, flexible, and adaptive. To survive and compete in this globalized world, SMEs are required to gain maximum benefits from employees' participation in decision making. Therefore, employees are seen to be critical important assets in today's organizations than ever before (David in Shaed, Ishak & Ramli, 2015) and their participation in decision making is crucial in the workplace. The participation of employees describes the involvement of employee in decision making which is concerned with shared decision making in the work situation (Prvulovic, 2009).

Employees' participation in decision making involves the process of sharing important information between managers and employees to generate new ideas and possible alternatives, plan processes and evaluate results to achieve an organization's

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objectives (Scott-Ladd, Travaglione & Marshall, 2006). Beardwell and Claydon (2007) defined employee participation as the distribution of power between employer and employee in decision making processes, either through direct or indirect involvement. Employee participation in decision making encourages the involvement of manpower at all levels of an organization to analyze problems, develop new strategies, and implements solutions (Helms, 2006). Effective participation provides opportunity in order to share information about how to evaluate customers, solve problems and generate new ideas for employees (Cheung &To, 2010). However, in Nigeria, the institutionalization of employees participation in decision-making in SMEs has been championed by several scholars such as (Adewumi, 2007; Imaga, 2010) who suggested that worker participation in management decision making will reduce industrial conflicts, raise employee commitment and effective resources management. .

Employee commitment reflects the extent to which employees identify with an organization and is committed to its goals. Biljana (2004) stated that the commitment of employees is an important issue because it may be used to predict employees performance, absenteeism and other behaviors. The importance of employee commitment in an organization can never be over-emphasized, Steer (2008) observed that employee commitment is the congruence between the goals of the individual and the organization whereby the individual testifies with and extends effort on behalf of the general goals of the organization. Steer further opined that employee participation is a psychological state that characterizes the employee's relationships with the organization and have implications for the decision to continue membership in the organization management.

The management of an organization is considered efficient if it is able to coordinate the various resources (time and equipment) in such a way that they contribute maximally towards the realization of common objectives. Materials may be purchased at most competitive prices and machine may be worked to their full capacity but the out-put cannot be maximized without the participation of the workers (Mayer & Allen, 2012). Human factor is able to give an output far greater than its input only because of its ability to cooperate, coordinate, and integrate an organization at productivity. Involving employees in decision-making will lead to effective management of organization's resources.

Gender is one variable that could easily influence employees' participation in decision-making in business organizations which could in turn influence organizational performance. Gender in this study refers to the sex of an individual employees (either male or female). Gender in effect is determined by the conception of tasks, functions and roles attributed to women and men in the society and in public and private life. This is supported by Eni (2010) who reported that gender effect could be a factor in determining employees' participation in decision-making in SMEs in Anambra State. Since gender could influence the extent employees

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participate in decision-making which could on the long-run influence organizational, considering it in this study will yield positive result.

Years of experience could also be another variable that could influence the extent employees participate in decision-making in organizations.Years of experience in this study refers to the field of knowledge acquired over months or years of actual practice and which, presumably, has resulted in superior understanding or mastery. Similarly, the experience of the manager is also an influencing factor. Sandra (2014) stated that experience is the process of personally observing, encountering, or undergoing something. It is possible that successful SMEs are handled by experienced managers who personally observe the day to day activities of their enterprises and also involve the employees in decision making process to increase productivity.

Statement of the Problem

Employees are important elements in the accomplishment of organizational goals and survival. Poor performance, low productivity and even extinction of organizations have become endemic in Nigeria and other developing nations of the world as a result of management decision (Onuoha, 2012). Specifically, the failure of management of organizations to recognize the human element in industrial production through greater involvement of employees in decision-making leads to serious industrial crisis and poor organizational performance. Many organizations have experienced lack of commitment by employees towards the implementation of decisions taken by top management which undoubtedly has serious repercussions on organizational success. Employees' non participation in the organization results to conflict between management and employees and also leads to indifference to the decision making reached by the organization. In such circumstances employees naturally do not fully and effectively utilize their potential rather they engage in negative behaviours like absenteeism, apathy and low commitment which ultimately negate the performance and productivity of the organizations. The problem of this study is that it appears that managers of SMEs in Anambra State are not aware of the positive contributions of involving employees in decision making on the performance and productivity of their enterprises. It is for this reason that many SMEs are employing methods to participate in decision making process. Hence the need for the study on perceptions of small and medium scale enterprises managers in Anambra State on the extent employees' participation in decision making improve their work performance.

Purpose of the Study

The main purpose of this study was to ascertain the perceptions of small and medium scale enterprises managers in Anambra State on the extent employees' participation in decision making improve their work performance. Specifically, the study determined the perceptions of SMEs managers in Anambra State on the extent employees' participation in decision making improve their:

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1. Commitment
2. Management of resources

Research Questions

The following research questions guided the study.

In the perception of SMEs managers' in Anambra State:

1. To what extent does employees' participation in decision-making improve their commitment?
2. To what extent does employees' participation in decision-making improve their management of resources?

Hypotheses

The following null hypotheses were tested at 0.05 level of significance.

1. There is no significant difference in the mean perception of male and female SMEs managers in Anambra State on the extent employees' participation in decision-making improve their commitment.
2. There is no significant difference in the mean perception of SMEs managers in Anambra State on the extent employees' participation in decision-making improve their commitment based on years of experience.
3. Male and female SMEs managers in Anambra State do not differ significantly in their mean perception on the extent employees' participation in decision-making improve their management of resources.
4. Experience does not influence the mean perception of SMEs' managers in Anambra State on the extent employees' participation in decision-making improve their management of resources.

Method

A descriptive survey research design was used for the study. This design was considered appropriate for this study because the study sought the opinions of managers on the contributions of employees' participation in decision making to the performance of small and medium scale enterprises. This study was carried out in Anambra State using 1124 managers of all registered SMEs in the State. A sample size of 225 SMEs managers representing 20 percent of SMEs in Anambra State was used for the study. The stratified random sampling technique was used. Instrument for data collection was a structured questionnaire. The face and content validity of the instrument was established using the opinions of three experts. To ascertain the consistency of the instrument, test re-test reliability was utilized. Data collected were using Pearson Product Moment Correlation. The computation showed that the clusters achieved co-efficient values of 0.93 and 0.85 for the clusters with an overall coefficient of 0.89 which the researchers consider high enough to judge the instrument as reliable for the study.

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The researchers, with the help of three research assistants distributed copies of the questionnaire. Out of the 225 copies of the questionnaire administered, 209 were returned 92.89% return rate. Data relative to the research questions were analyzed using mean and standard deviation to answer the research questions and determine the spread of the respondents means while t-test and ANOVA were used to test the hypotheses at 0.05 level of significance. Statistical Package for Social Sciences (SPSS) version 21 was used in the analysis of data. Item and cluster means was used to take decisions on research questions based on the boundary limits of numbers. In testing the hypotheses, where the p-value was less than the significance level of 0.05, it meant that there was a significant difference and the hypothesis was rejected. Conversely, where the p-value was equal to or greater than the significance level of 0.05, it means that there was no significant difference and the hypothesis was not rejected.

Results

Table 1: Respondents mean perception on the extent employees' participation in decision making improve their commitment. N = 209

S/No	Employee Commitment	Mean	SD	Decision
1.	Willingness to accept responsibilities	4.37	0.62	High extent
2.	Punctuality to work	4.29	0.60	High extent
3.	Regularity to work	4.28	0.65	High extent
4.	Taking work home when the need arises	4.25	0.62	High extent
5.	Work at weekends and public holidays	4.16	0.66	High extent
6.	Putting extra hours when the need arises	4.11	0.75	High extent
7.	Respect to supervisors	4.05	0.79	High extent
8.	Willingness to lend helping hands whenever there is need	4.05	0.68	High extent
9.	Work with little or no supervision	4.00	0.61	High extent
10.	Loyalty to the employer	4.00	0.60	High extent
11.	Not grudging when pay is delayed for cogent reasons	3.95	0.80	High extent
12.	Compliance to rules and regulations	3.93	0.57	High extent
13.	Volunteer to take extra tasks	3.89	0.77	High extent
14.	Readiness to work in teams	3.87	0.70	High extent
15.	Readiness to deliver tasks on schedule	3.51	0.68	High extent

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	4.05	**High extent**

Result in Table 1 shows that the cluster mean of 4.05 indicates that the respondents viewed employee participation in decision-making to contribute to workers' commitment in organization to a high extent. The item by item analysis shows that all the items with the mean scores ranging from 3.51 to 4.37 indicates that employees' participation in decision making improve their commitment in the organization to a high extent. The standard deviation showed homogeneity in SMEs managers' responses indicating greater consensus of opinion.

Table 2: Respondents mean perception on the extent employees' participation in decision making improve their management of resources. N = 209

S/No	Management of resources	Mean	SD	Decision
1.	Compliance with required conditions for use of equipment	4.24	0.64	High extent
2.	Accurate recording of financial transactions	4.15	0.64	High extent
3.	Watchfulness on movement of work tools	4.13	0.63	High extent
4.	Avoid area of waste of consumable materials	4.13	0.70	High extent
5.	Judicious use of funds	4.07	0.64	High extent
6.	Care of the work environment	4.07	0.68	High extent
7.	Taking measures to protect work tools from loss and damage	3.94	0.58	High extent
8.	Accurate recording of stock	3.92	0.73	High extent
9.	Care of equipment and machines	3.92	0.60	High extent
		4.06		**High extent**

Result in Table 2 shows that all the items with the mean scores ranging from 3.92 to 4. 24 revealing that the respondents perceived employees' participation in decision making to improve their effective management of resources in organizations to a high extent. The cluster mean of 4.06 indicates that the respondents viewed employee participation in decision-making to contribute to effective management of resources in organizations to a high extent. The standard deviation showed that there is homogeneity amongst responses indicating a greater consensus of opinions.

Table 3: t-test comparison of the mean perception of male and female SMEs managers in Anambra State on the extent employees' participation in decision making improve their commitment

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Employees' commitment	N	$\bar{X}$	SD	Df	P-value	Decision
Male	168	4.05	.17	207	.453	Not Significant
Female	119	4.04	.19			

Result in Table 3 shows that there is no significant difference in the mean perception of male and female SMEs managers in Anambra State on the extent employees' participation in decision-making improve their commitment in organizations. This is shown by the p-value of 0.453, which is greater than the significant level of 0.05. This shows that there is no significance difference in the mean responses of SMEs managers. Therefore, the null hypothesis of no significant difference between the two groups is not rejected.

Table 4: Analysis of variance on mean perception of the respondents on the extent employees' participation in decision-making improve their commitment based on years of experience.

	Sum of Squares	df	Mean Square	F	P-value
Between Groups	.026	2	.013	.401	.670
Within Groups	9.226	206	.032		
Total	9.252	208			

As shown in Table 4 there is no significant difference among the three groups in terms of their mean perception on the extent employees' participation in decision-making improve their commitment based on years of experience (0-5 years, 6-10 years and 11 years and above), as the F-ratio (2, 206) was 0.401 and P-value (0.67) was greater than the stipulated 0.05 level of significance. Therefore the null hypothesis is not rejected.

Table 5: t-test comparison of the mean perception of male and female SMEs managers in Anambra State on the extent employees' participation in decision making improve their management of resources

Management of resource	N	$\bar{X}$	SD	Df	P-value	Decision
Male	168	4.05	.16	207	.297	Not Significant
Female	119	4.08	.16			

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The t-test analysis in Table 5 shows that male and female SMEs managers in Anambra State do not differ significantly in their mean perception on the extent employees' participation in decision-making improve their management of resources. This is shown by the p-value of 0.297, which is greater than the significant level of 0.05. The null hypothesis of no significant difference between the two groups therefore is not rejected.

Table 6: Analysis of variance on mean perception of the respondents on the extent employees' participation in decision-making improve their management of resources based on years of experience.

	Sum of Squares	df	Mean Square	F	P-value
Between Groups	.023	2	.011	.452	.637
Within Groups	7.213	206	.025		
Total	7.236	208			

Result in Table 6 shows that there is no significant difference among the three groups in terms of their mean perception on the extent employees' participation in decision-making improve their management of resources based on years of experience (0-5 years, 6-10 years and 11 years and above), as the F-ratio (2, 206) was 0.452 and P-value (0.637) is greater than the stipulated 0.05 level of significance. Therefore the null hypothesis is not rejected.

Discussion

The results of the study indicated that male and female SMEs managers' in Anambra State rated the extent employees' participation in decision making improve their commitment to a high extent. The findings are similar with the findings of Addulai and Shafuwa (2014) who reported that employees' participation in decision making increases commitment and satisfaction on decisions taken and also increases employees morale since they feel recognized as part of the team in the organization. This is in line with Ijeomah (2012) who stated that employee commitment impacts heavily on the organization's productivity and that the major contributory factor to organizational performance is employee participation in decision-making.

The test of the first hypothesis indicated that there was no significant difference in the mean ratings of male and female SMEs managers in Anambra State on the extent employees' participation in decision-making improved their commitment. Also, the second hypothesis revealed that there was no significant difference in the mean ratings of SMEs managers in Anambra State on the extent employees' participation in decision-making improved their commitment based on years of experience. This disagrees with the findings of Kuye and Sulaimon (2011)

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that a statistically significant relationship between employee involvement in decision making and firms' performance as well as reveal a significant difference between the performance of firms whose employee involvement in decision making are deep and the performance of firms whose employee involvement in decision making are shallow. This was also supported by the findings of Muflin, and Jawarneh (2011) which showed that there was no significant difference between male and female employees and their years of experience on the extent at which they participate in decision-making in organization.

The results of the study revealed that male and female SMEs managers' in Anambra State rated the extent employees' participation in decision making improve their management of resources to a high extent. This corroborates that of Ojokuku and Sajuyigbe (2013) who reported that effective management of resources is a fundamental strategy for SMEs desiring to improve organizational performance. In support of this Kavon-Linga (2015) observed that human resource management affected employees' performance most in the SME's managed by women. From Kavon-Linga's finding, difference exists as a result of gender, therefore, the study is in disagreement with this present study.

The results of the third hypothesis indicated that male and female SMEs managers in Anambra State did not differ significantly in their mean ratings on the extent employees' participation in decision-making improved their management of resources. Also the fourth hypothesis stated that experience did not influence the mean ratings of SMEs' managers in Anambra State on the extent employees' participation in decision-making improve their management of resources. This disagrees with the findings of Ojokuku and Sajuyigbe (2013) who observed that effective management of resources in organizations had significant positive impact on performance of SMEs.

Conclusion

Based on the findings of the study, it was concluded that participation in decision-making enhances commitment of workers and effective management of resources. It was also affirmed from the findings that gender and years of experience do not affect employees' participation in management decision-making.

Recommendations

Based on the findings of this study, the following recommendations are made:

1. Managers of SMEs' in Anambra State should embark on capacity building of their members to ensure better understanding of the relevance of employee participation in decision-making to organizational growth and performance. This can be achieved by collaborative efforts with the relevant educational institutions, government agencies and consultants through seminars, workshop, conferences and training programmes for both the managers and employees of the organizations.

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2. Managers of SMEs in Anambra State should embrace employee participation in decision-making to enhance product quality improvement. This is possible through recognizing and welcoming ideas of employees.
3. Managers of SMEs in Anambra State should give preferences to their employees. This is possible through the formulation of appropriate policies and regulations concerning employees' welfares as it will lead to good relationship between the organization and her customers.

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