

# Participative Management as the Key Motivation Factor for Employees & Workers in the Organization

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## Abstract

Participative management is used to enhance work practices, profitability and authoritative execution. Participative management is a key strategy in the contemporary management and global demands. Numerous studies have reported that the participative style of management improves both performance and increases the job satisfaction of the employees. It also is seen that it increases the improved employee attitude toward their work. It also influences the performance behavior of the employees. The purpose of this study is to understand the factors affecting the motivation of the employees in the organization and to also study if participative management is an important factor affecting the motivation of the employees of the organization. Participants were 250 employees at a variety of organizations across India. The employees were mostly middle level employees and working in the same organization for at least 3 years. We can conclude three important attributes for motivation of employees at workplace are work environment, participative culture and supervisor attitude. Participative management predictor is the largest contributor to the motivation of the employees. Emphasizing on the research topic we can say there is a meaningful relation between motivation and participative culture in the organization. Participative management leads to innovation and increased efficiency. The problem solving process and openness to new ideas can result in innovation. The focus of management is on self with efforts to improve their own skills and this leads to less supervision.

## Keywords

*Motivation, Participative Management*

## Introduction

The organizational success is not only dependent on the material things like money, technology, assets etc but also on the successful management of the human resource within the organization. The reason we need to focus on the human resource and its motivation is because the organization needs people to operate with its key activities. Hence it is essential to accredit all the employees to perform well for the advantage and interest of the organization. There are basically two types of management, namely, autocratic or participative. Participative administration is a procedure in which impact is shared among people who are generally progressively unequal. It is a framework which urges representatives to take an interest during the time spent settling on choices that straight forwardly influence their work lives. Participative management is used to enhance work practices, profitability and authoritative execution. Participative management is a key strategy in the contemporary management and global demands.

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## Materials & Methods

### *The Current Study*

The purpose of this study is to understand the factors affecting the motivation of the employees in the organization and to also study if participative management is an important factor affecting the motivation of the employees of the organization. Specifically, we hypothesized the following:

**Hypothesis 1:** Participative management is an important factor influencing the motivation of the employees.

**Hypothesis 2:** Participative management is positively associated with the motivation of employees.

### *Participants*

Participants were 250 employees at a variety of organizations across India. The employees were mostly middle level employees and working in the same organization for at least 3 years. Of these, 180 (72%) were lower level employees and 70 (28%) were middle and top level employees. The employees were from various sectors of

industry & services in India. The questionnaire was circulated by Google forms. Of the 250 participants, 154 (62%) were men and 96 (38%) were women.

A factor analysis was initially done to reduce the factors affecting the motivation of the employees and identify few important factors affecting the motivation among the employees. An arbitrary scale was constructed to measure the factors affecting motivation based on literature review. The Cronbach Alpha was 0.768 and hence all the statements were considered for further analysis as the value of Alpha was greater than 0.5.

### Factor Analysis: Employees Perception

#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.868
Bartlett's Test of Sphericity	Approx. Chi-Square	873.96
	Df	28
	Sig.	0.000

Both the essential conditions are being satisfied for the factors affecting Motivation of workers under Workers' Participation Scheme as KMOSAT is greater than 0.5 and Bartlett's test of sphericity is significant as well. We can do factor analysis as basic conditions are met

#### Communalities

	Initial	Extraction
HEALTH_SAFETY	1.000	0.693
INVOLVEMENT	1.000	0.69
COST_REDUCTION	1.000	0.664
SUPERVISOR_ATTITUDE	1.000	0.697
UNION	1.000	0.733
PARTICIPATIVE_MEETING	1.000	0.813
REDUCE_DIFFERENCE	1.000	0.598
EFFICIENCY	1.000	0.855

Extraction Method: Principal Component Analysis.

The above table explains the proportion of each variable's variance that can be explained by the factors. The initial values are constant as 1 for all variables. All the loadings are above 0.5 hence all the factors have been considered for further analysis

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.851	48.131	48.131	3.851	48.131	48.131	3.025	37.8	37.8
2	1.215	15.19	63.321	1.215	15.19	63.321	1.46	18.2	56.1
3	0.678	8.481	71.802	0.678	8.481	71.802	1.26	15.7	71.8
4	0.583	7.29	79.093						
5	0.52	6.497	85.589						
6	0.486	6.073	91.662						
7	0.345	4.309	95.971						
8	0.322	4.029	100						

Extraction Method: Principal Component Analysis

This column contains the cumulative percentage of variance accounted for by the current and all preceding factors. For example, the third row shows a value of 71.802. This means that the first three factors together account for 71.8 % of the total variance in the factors affecting the motivation of the workers from employee perception with respect to the participative management.

A minimum of 50% is seen as minimum for the extraction of the single factor and using SPSS and saving it as the single variable using regression method and the new single variable value derived for each respondent has been used further for the regression analysis. Approximately 71.8% of variations are explained by the 3 factors extracted.

Rotated Component Matrix <sup>a</sup>			
	Component		
	1	2	3
HEALTH SAFETY			0.688
INVOLVEMENT		0.800	
COST REDUCTION	0.793		
SUPERVISOR ATTITUDE			0.749
UNION		0.524	
PARTICIPATIVE MEETING		0.854	
REDUCE DIFFERENCE	0.754		
EFFICIENCY	0.916		
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 4 iterations.			

**Factor** - The columns in the above heading are the rotated factors that have been extracted. Total three factors were extracted. These are the factors we are most interested in and are named as follows:.

**FACTOR 1:** WORK\_ENVIRONMENT

**FACTOR 2:** PARTICIPATIVE\_CULTURE

**FACTOR 3:** SUPERVISOR\_ATTITUDE

Hence we can conclude three important attributes for motivation of employees at workplace are work environment, participative culture and supervisor attitude. We also conclude that participative culture in the Organization is an important factor affecting the motivation level of the employees in the Organization.

## Results & Discussion

After identification of the factors affecting motivation of the employees we conducted the regression analysis with motivation as the dependent variable and the three identified factors as the independent variable. The test was conducted to analyze the relationship between motivation and the independent factors and the effect of the factors on the motivation of the employees.

## Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.804 <sup>a</sup>	.646	.643	.562

a. Predictors: (Constant), WORK\_ENVIRONMENT, PARTICIPATIVE\_CULTURE, SUPERVISOR\_ATTITUDE

Multiple *R* is the correlation between the observed values of *Y* and the predicted values of the multiple regression model. Therefore, large values of the multiple *R* represent a large correlation between the predicted and observed values of the outcome which is 0.804 in the above result.

ANOVA<sup>b</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	171.023	3	57.008	180.198	.000 <sup>a</sup>
Residual	93.643	296	.316		
Total	264.667	299			

a. Predictors: (Constant), WORK\_ENVIRONMENT, PARTICIPATIVE\_CULTURE, SUPERVISOR\_ATTITUDE

b. Dependent Variable: MOTIVATION

The next part of the output, which contains an ANOVA that tests whether the model is significantly better at predicting the outcome. The *F*-ratio, here *F* is 180.198, which is significant at  $p < .001$ . Hence, the regression model overall predicts Employee motivation significantly well.

Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.533	.032		108.806	.000
WORK_ENVIRONMENT	.281	.033	.299	8.648	.000
PARTICIPATIVE_CULTURE	.676	.033	.719	14.793	.000
SUPERVISOR_ATTITUDE	.188	.033	.200	5.786	.000

a. Dependent Variable: MOTIVATION

In multiple regression the model takes the form of equation and in that equation there are several unknown quantities (the *b*-values). The first part of the table gives us estimates for these *b*-values.

$$Y (\text{Motivation}) = 3.533 (\text{Constant}) + 0.281 (\text{Work Environment}) + 0.676 (\text{Participative Management}) + 0.188 (\text{Supervisor Attitude})$$

The *b*-values tell us about the relationship between Motivation and each predictor. If the value is positive we can tell that there is a positive relationship between the predictor and the outcome, whereas a negative coefficient represents a negative relationship. The *t*-statistic can be derived that tests whether a *b*-value is significantly different from 0. Therefore, if the *t*-test associated with a *b*-value is significant (if the value in the column labelled *Sig.* is less than .05) then the predictor is making a significant contribution to the model. Hence looking at the *t* value we can say that Participative management predictor is the largest contributor to the regression model apart from others.

The standardized beta values for Work Environment, Participative management, Supervisor attitude are (0.299, 0.719, 0.200 respectively) indicating that all the three variables have a comparable degree of importance in the model.

### Conclusion

Emphasizing on the research topic we can say there is a meaningful relation between motivation and participative culture in the organization. Participative management leads to innovation and increased efficiency. The problem solving process and openness to new ideas can result in innovation. The focus of management is on self with efforts to improve their own skills and this leads to less supervision.

The examination discoveries recommend that participatory administration and supervisory correspondence may expand work fulfillment. The significance of employee empowerment stays undisputed – higher occupation

fulfillment of workers' prompts motivation and expanding inspiration, efficiency and confidence. The discoveries of this examination have affirmed that organizations ought to perceive the advantages of participative management in the working environment and utilize them for creating a more upbeat and gainful workforce.

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