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Case Study NJOBM

The Role of Employees in Decision Making on Organizational Productivity in Mogadishu Private Enterprises, Somalia

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Abstract

This study analyzes the significance of participatory management on employee productivity in private companies in Mogadishu Somalia. In this study, the researcher used survey design, and the quantitative approach strategy is used for this study. The researcher used primary data, and used questionnaire as method of collection. The target population of this study based on some selected employees in private companies in Mogadishu, Somalia. The data was taken from respondents through questionnaire, and the data was analyzed by SPSS. The study determined that participatory management increases employee productivity. The researcher of this study recommends that organizations hoping to enhance the productivity of its employees should practice participatory management. Also, companies in Mogadishu must encourage employee involvement in the decision-making process. Also, the researcher suggests the top management to consider that employees need to get respect and recognition.

Keywords: Participatory management, employee productivity, flexibility in work, decision-making, creativity

INTRODUCTION

Globally, organizations are operating in a highly competitive and uncertain challenging world, which necessitates flexibility, the acquisition and adaptation of new knowledge, new technologies, and new processes in order to introduce new products and services, cut costs, act ahead of the competition, and remain competitive. It has been argued that organizations must be creative in order to obtain a higher advantage. Employees who act creatively generate unique ideas that organizations can capitalize on by formulating and delivering the suggest latest brand, process, or procedure [1].

In Africa, many countries developed and implemented employees' participation such as South Africa special Free State school and they have succeeded through it as informed by Mokoena, in his article of effective participative management [2]. Employees' participation is a process where subordinates share significant degree of decision-making power with their immediate superiors Employees' participation is the process by which top manager shares the decision making process with middle and low levels of the organization [2].

In Somalia, everyone who had money and was able to build a new company had done it, then, these companies had employed a lot of people without giving adequate chance to participate in

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the decision-making processes that could help them to increase their productivity. A decision is a choice in which a person comes to a summary about a situation.

Employee-participation in decision-making is intended to increase organizational productivity, which in turn maximizes company’s profit. However, one of the most important aspects of performance management is decision-making. Managers typically regard decisions as the most important aspect of their job as they must every time decide what will be finished, who would do it, even before, where, and, most of the time, how this will be done [3].

The essential idea of representatives’ investment in this direction includes any power-sharing course of action in which work environment impact is divided between people who are progressively inconsistent. Such power-sharing will result in representatives’ co-activity in working conditions, critical thinking and navigation [4].

According to the researcher’s own belief and his best effort he gave, there is no study made in Somalia titled “the impact of employees participation on organizational productivity”. Therefore, the researcher would like to contribute this study of impact of employees’ participation in decision making on organizational productivity in some selected telecommunication companies in Mogadishu-Somalia, because telecommunication companies in Mogadishu may not have enough concept of employees’ participation in decision-making strategy and its vitality to them as a tool to increase their organizational productivity [5].

LITERATURE REVIEW

Employee engagement must be recognized from delegation, despite the fact that the two terms appear to be synonymous. Although, in terms of membership and assignment, the manager believes that he is giving up “something”, particularly something that will reduce his position, the terms are at odds. Delegation entails delegating duties, authority, and responsibility to supervisors. It is the delegation of decision-making authority to subordinates, as opposed to participation, in which the manager supplies the permission to decide the precondition and accepts responsibility for the decision. Regardless of the above distinction, a manager can inadvertently delegate decision-making to his employees under the guise of participation [6]. This is common in the laissez-faire leadership style. Nonetheless, in this situation, the manager is still responsible for the decision. This distinction is necessary for a proper understanding of what participation entails, and, in particular, employee participation in strategic decision making [7].

According to Solomon, this problem is recognized, and the expression “employee participation” has three distinct meanings. Inside one way, it can be regarded as a cultural concept or ideology of industry structure and it is extra appropriately referred to as such [8]. Because the idea is for staff to self-manage or control, it is also known as employee control or industrial democracy. The second application is, as a broad phrase that encompasses all systems and organizations. In its broadest sense, this refers to the entire variety of management relationships, from simple data by planning to collective ownership. Solomon recognizes a third viewpoint of the term “employee engagement” that aims to differentiate it from traditional collective agreements and the themes covered by it. It is defined as a leadership ideology or style that recognizes the both need and the employees to also be concerned with management in processes that expanded workers' impact into new aspects of organizational planning, are less incomplete in their concerns and direction, and are far more concerned with joint identification and resolution of problems [8].

Employee effectiveness is the level of job satisfaction experienced by an organization while having to carry out its operations and processes [9].

Employee effectiveness may be very meaningful and dependent on employee participation, as the very next survey shows. According to a survey conducted by the Stock Exchange headquarters of Research and analysis in 1995 in corporate entities to 500 or more employees, the most effective strategic plan to keep improving productivity of the company is employee participation in organizational affairs, particularly in decision-making processes, as 70% of those surveyed, mentioned.

For active cooperation to occur, the organization must develop an emotional suitable climate for engagement. This means that it must, first and foremost, initiate and promote an information flow. If data is the only thing available, aimed directly there is a route downward. There could be no meaningful transmission of knowledge between supervisors and employees. Second, in order for employees to participate effectively, the company's attitude toward them must allow them to believe that their opinions are valued both as individuals and as employees [10].

Whereas the theoretical approach encourages participation, theory and management psychology in usually tend to stifle it. It is true because participation, which stems from the theory's premise, provides significant opportunities for ego satisfaction for staff members and, as a result, can impact motivation toward organizational objectives. The institution intended to boost participation, must then be genuine. Employee participation programs lose all meaning and commonly cause more harm than good when they will be used as a sales gimmick to raise morale with no specific intent of using the workers' viewpoints or propositions to influence decisions.

According to Tannenbaum, problems can occur when a leader is given to cover the fact that he had already taken a decision, he uses a democratic institution. That he hopes this same; as a result, the community will recognize it as their own. They also pointed out those tricking children into believing it, was your idea to begin is dangerous. Finally, the company must establish itself. Guidelines for managers to follow when it comes to allowing employees to decide about work in their department [11].

OBJECTIVE OF THE STUDY

The objective of this study is to assess the role of employees in decision making in organizational productivity in private companies in Mogadishu, Somalia.

METHODOLOGY AND DATA

The researcher used a survey design in this study, which is a popular configuration in business research. This study's research strategy is a quantitative approach for achieving the study's objectives because the researcher collected primary data through a questionnaire.

Sample Size

Due to time and financial constraints, it was nearly impossible to cover these same views of the entire staff in all of the private companies' branches across the country. As a result, the sample was made up of 98 people chosen from the sample population. These participants were chosen based on their ability to obtain accurate information.

The researcher used Slovene's formula to calculate the population sample size $n = \frac{N}{1+N(E)^2}$ where; n = sample size, N = population size and E = margin of error of 5%.

$$n = \frac{N}{1+N(0.05)^2} = \frac{130}{1+130(0.05)(0.05)} = \frac{130}{1.325} = 98.113 = 98$$

As a result, the sample is 98 respondents. Since Roscoe suggested that size of the sample of much more than 30 but less than 500 is appropriate with most researches. However, the research group preferred a sample group of 98 respondents from private companies [10].

Data

The researcher gathered and collected data using the aforementioned procedures, the data using software (SPSS) interpret the questionnaire data, the researcher used the descriptive statistics (mean, frequency, and percentage).

RESULT AND DISCUSSION

The researcher used the Table 1 to describe the research questions, except for the respondents' reference profiles.

According to Table 2, 83 of the participants (84.7%) were males, while the remaining 15 (15.3%) were females. In this case, the majority of respondents (84.7%) were males, indicating that men dominated the sample (Table 1).

According to Table 3, 46.9% of respondents were between the ages of 20 and 30 years, 41.8% were between the ages of 31 and 40 years, 9.2% were between the ages of 41 and 50 years, and 2% were 51 years and older. As a result, the majority of those who participated in this study are between ages of 20 and 30 years.

Table 4 proves that 77 of respondents, or 78.6%, have been married, 16 of respondents, or 16.3%, but are unmarried, 3 of the respondents, or 3.1%, were widowed, and 2 of them, or 2%, were divorced. As a result, the majority of those who filled out the questionnaire (78.6%) were married.

Table 1. Research questions, except for the respondents' reference profiles.

Mean range	Scale	Interpretation
1.00 up to 1.80	Strongly agree	Very high
1.81 up to 2.60	Agree	High
2.61 up to 3.40	Neutral	Neutral
3.41 up to 4.20	Disagree	Very low
4.21 up to 5.00	Strongly disagree	Low

Table 2. Respondents by gender.

Description	Frequency	Percentage (%)
Male	83	84.7
Female	15	15.3
Total	98	100.0

Source: primary data, 2021.

Table 3. Respondents by Age.

Description	Frequency	Percentage (%)
20–30	46	46.9
31–40	41	41.8
41–50	9	9.2
51 and above	2	2.0
Total	98	100.0

Source: primary data, 2021.

Table 4. Respondents by Martial status.

Description	Frequency	Percentage (%)
Married	77	78.6
Unmarried	16	16.3
Widow/Widowed	3	3.1
Divorced	2	2.0
Total	98	100.0

Source: primary data, 2021.

According to Table 5, Secondary, Bachelor's, Master's, and PhD degrees were among the qualifications listed in the questionnaire. There were 7.1% of respondents with a higher schooling, 15.3% with a diploma, 55.1% with a bachelor's degree, 22.4% with a master's degree, and no one with a PhD. As a result, the majority of those who filled out the questionnaire were Bachelor's degree holders.

Table 6 shows that 10 of the respondents, or 10.2%, worked in the Operations team, 14 of the respondents, or 14.3%, worked in the Engineering program, 27 of the respondents, or 27.6%, worked in the HR Department, 32 of the respondents, or 32.7%, worked in the Marketing/Sales department, and 15 of the respondents, or 15.3%, worked in the Finance/Accounting department. As a result, the majority of respondents (32.7%) were in the Marketing/Sales department, while the second most participants were in the Human Resources department.

According to Table 7, 4% of respondents have been with the company for less than a year, 56.1% have been with the company for 1 to 5 years, 19.4% have been with the company for 6 to 10 years, and only 4.1% have been with the business for 11 years.

According to the Table 8, the majority of respondents who completed the questionnaire agreed that employee participation tactic is very vital to enhance productivity of the organization in terms of mean index, which is 2.32, but the organizations for which they work do not suitably practice it.

Table 5. Respondents by education level.

Description	Frequency	Percentage (%)
Secondary	7	7.1
Diploma	15	15.3
Bachelor	54	55.1
Master	22	22.4
Total	98	100.0

Source: Primary data from 2021.

Table 6. Respondents by department.

Description	Frequency	Percentage (%)
Operation department	10	10.2
Engineering department	14	14.3
Human resource department	27	27.6
Marketing/Sales department	32	32.7
Finance/Accounting department	15	15.3
Total	98	100.0

Source: primary data, 2021.

Table 7. Respondents by experience.

Description	Frequency	Percentage (%)
Below 1 year	20	20.4
1–5 years	55	56.1
6–10 years	19	19.4
11 years and above	4	4.1
Total	98	100.0

Source: primary data, 2021.

Table 8. Six questionnaires asked for respondents.

No.	Statements	Mean	Interpretation
1	Management staff make decision without pre-discussion and consultation with employees	1.90	High
2	Management change decisions when rejected by employees	3.22	Medium
3	If this company decides to practice employees' participation, rank in the organization is an important factor it is good to consider before an employee participate in the decision-making processes	1.83	High
4	If this company decides to use employees' participation, educational qualification is an important factor it is good to consider before an employee participate in the decision-making processes	1.97	High
5	If this company decides to practice employees' participation, experience is an important factor it is good to consider before an employee participate in the decision-making processes	1.88	High
6	Management staff delegate authority freely to subordinates	3.10	Medium
Mean index		2.32	High

Source from 2021.

Table 9. Determining if there is a relationship between employee participation and job productivity.

		Employees participation	Organizational productivity
Employees participation	Pearson correlation	1	.813**
	Sig.(2-tailed)		0.000
	N	98	98
Organizational productivity	Pearson correlation	.813**	1
	Sig.(2-tailed)	0.000	
	N	98	98

According the mean range table, respondents mainly selected agree as 1.90 for the first question, which is mangers make choices without pre-discussion and discussion with employees. As a result, this means diverse experiences that the selected companies' management staff does not discuss as well as consult with the employees when making decisions.

According to the results in Table 9, there is a clear positive association between employee-participation and organizational productivity at the private companies in Mogadishu, Somalia.

Employee engagement is a vital element in all firms, whether small, medium, or big; however, the study found that the private companies do not practice or use employee participation to boost productivity. The key findings of the study, according to the researcher, are that there is no two-way flow of information since the respondents who filled out the questionnaire mainly agreed that the managers of the businesses they work for, do not enable the workers to meet and speak with them. Furthermore, these businesses' management teams do not enable employees to take part in decision-making processes. According to the findings of the study, workers of the private firms feel that if they are permitted to participate in choices pertaining to the activities they perform, they would be more productive.

RECOMMENDATION AND CONCLUSION

To increase organizational productivity, the following suggestions are given to the following parties:

- *The organizations' perspective:* In general, all private firms should encourage and exploit employee engagement to increase productivity. To establish a meaningful dialogue between management and employees, they should promote and start a two-way stream of data.

Employees should be made to know that their thoughts and ideas matter and that they too are respected as individuals as well as employees. Private companies must develop policies that allow their staff to participate in decision-making. Employees will feel more in charge of their job as a result of this. They will then enhance their performance.

- Managers must adhere to a two-way communication flow in order to encourage effective employee engagement in decision-making. They must be truthful, and the amount of latitude they may provide workers in making work-related decisions should not exceed the organization's guidelines. Employees' needs and wishes must be monitored in order to effectively achieve the organization's goals and objectives. In order to increase organizational efficiency, managers should promote employee group discussions.

The findings from the analyzed data suggest that the private companies do not start practicing employee participation because the line managers of those organizations make choices without consultation with employees, and they do not start changing decisions when denied by employees. The majority of respondents believed that if their employers use employee engagement. Furthermore, the majority of respondents agree that if the management of these firms enables them to meet and speak with them, they would improve their performance.

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