



# **Participative Management in Enhancing Work Performance: An Analysis Towards Employees of HICOM-HONDA (M) Manufacturing Sdn. Bhd., Sungai Petani, Kedah**

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## **ABSTRACT**

*Many manufacturers have implemented a participative management to enhance the performance of employees because nowadays traditional “top down” approaches are unlikely to achieve the performance enhancement. Participative management addresses fundamental issues within organization and the role of employees and external stakeholders in all levels of organizational decision making. It helps to let manager deal with the employee in contribute towards organizational performance. The implementation of participative management by apply strong engagement relationship among organization’s members, worker empowerment and participative in decision making heading toward enhancing organizational performance. Besides that, participative management plays a vital role in employee development in an organization. Formal patterns of participation need to be truly implemented where employees have a right to contribute on all levels of decision making. Thus, paper discuss regarding the factors influence towards organization performance by applying elements in participative management such as empowerment, engaging employee relationship and collective decision-making.*

**Keywords:** Collective Decision Making, Empowerment, Engaging Employees Relationship, Participative Management, Performance Enhancement,

## **INTRODUCTION**

Participative management has been widely implemented over the recent year among the organization within a world such as India, Bangladesh, United States and Australia. According to Osterman (1994), the empowering employees by participate worker in management has become popular of programs in work practice that has been well documented in the management literature. Participative management is a medium in analysis of a problem development strategies and implementation of solution by encouraging the involvement of stakeholder at all levels of an organization (Coleman, 2004).

Nowadays, since many companies that implement the participative management in their organization prove that the performance of their organization has been enhanced among staff. It shows that other company should know about participative management and implement it in their company. If the researcher succeeds to prove that Hicom-Honda is successes in enhancing staff's performance because implement the participative management, other company in area Sungai Petani can make Hicom-Honda as a role model. In consolidation, participative management should be seek as an important element in helping to enhance organizational performance. This research is focusing on Hicom-Honda Sungai Petani because this company has a good reputation as a manufacturer company. There are lot of problems arise during participative management implementation such as staff in often feel letdown when their ideas are not implemented. Furthermore, some staff refuses to be empowered because they afraid to take the responsibility for possibility of any mistake that could be occur when they participate in decision making process. Employees participation in decision making process in Hicom-Honda, Sungai Petani incurred a lot of time because of the number of people in the management have to understand how to make decision in order to solve problem.

The first independent variable is collective decision making, it can help to achieve high quality decisions and high levels of commitment. The collective decision making would incurred participation in decision making, which the act of sharing decision making with others to achieve organizational objectives (Knoop, 1991). Otherwise, William (1995) stated that collective decision making exist when the leader gives total control of the decision and the complete group is totally involved in the decision. this is a method in which decisions are reached when everyone unifies behind the best solutions that seems possible for the group at a given time.

The second independent variable is engaging employee's relationship. McAllister (1995) has defined the employee engagement as, "the extent to which a person is confident in and willing to act on the basis of the words action and decision of another". Thus, it is important to understand how managers' trust influences their willingness to encourage employee participation under specific circumstances. According to Gerrida & Adeline (1999), they defined participative management as a way of system engaging employees as willing co-producers of a better future.

The third independent variable is empowerment. Empowerment has been part and buzzword in most organization in the world. According to Adrian Wilkinson (1997), he defined the form of empowerment is commonly seen as a form of employee involvement, designed by management and intended to generate commitment and enhance employee contribution to the organization. Employee empowerment is an important element to the organizational change process because empowerment fulfils the individual's need for a sense of control, by providing workers with opportunities to influence decisions, promotes worker motivation and reduces workers resistance towards organizational change (Leon, Thomas, 1996).

The dependent variable is performance enhancement. Performance enhancement in purposely desired by all organization was established. According to Carmeli and schaubroeck (2006), stated that the developing and implementing organizational strategy is important role by management in determining organizational performance. Then, it has been argued by Athina and Nicholas (2008), which organization performance influences by employee performance. Thus, they stated the continued good performance of the organizations; the top management should operate in an effective way. This variable is an element to measure the participative management implementation. It can help to look the succeeded of the organization process. It means, the employee itself is a medium in achieving performance enhancement. There are few factors that lead to organization performance that help to employer collaborate with the factor and employee.

## **METHODOLOGY**

### **Data collection**

In order to collect the data in this study, the researchers tend to use questionnaire. The researchers are using questionnaire whereby the researchers do self-administered question. The researcher has a list predetermined question to be asked to the respondent spontaneously. The questions are likely relevant to the topic of the researcher have choose.

### **Data analysis**

Descriptive statistics such as maximum, minimum, mean, standard deviation were obtained for the interval scale independent and dependent variable. For example, measure of mean of gender, age and level of education of the staffs. The researchers use the Pearson Correlation to see the strength of interrelated that present among all variables. Pearson Correlation is important to measure the interrelationship between variables. For instance, Pearson Correlation can be used to analyzed it whereby the value of  $p < 0.05$ , must below than 0.05.

### **RESULT**

This research is aim to gain more knowledge about participative management especially student. It help to expose the student the real world of work environment that the students can get a lot of experience which is meaningful to their future Then, they can apply it when embracing the work environment. This study also significance to the organization in exposing management the factor contributes toward successful organization performance. This study also helps the organization evaluate the subordinate view and educate them regarding the participative management implementation. It helps to expose the voice of employee regarding this concept implementation in the company and how it can help enhancing organization performance. Otherwise, it can give benefit to country. The country can encourage the existing organization to implement the participative management in order to enhance organization performance. Besides, through implement this concept, it helps to develop the good relationship between organization members. It would help employee and top management work in comfortable environment, share opinion and strive for better performance. Through the better government assistance, it wills the organization produce efficient goods and services in the country

## **CONCLUSION**

In conclusion, participative management exists when workers themselves are allowed to participate in management in one particular organization. This research in effort to expose the way to enhance the organization performance by embracing strong engagement relationship among organization members, high motivations possessed in effective commitment and employee participative decision making. Obviously, participative management can exist in organization when lower level employees thought that they can indicate their responsibility by exercising initiative in good faith on behalf of the organizational mission even though they aware it goes outside the bounds from their normal responsibility and it could them lead to mistakes.

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