

Leadership style through employee participation in Organizational Effectiveness – A study of select Public and Private Firms in the Indian context.

By

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Abstract

This research paper tries to find employee participation in the Organization for Public and private firms. The study makes comparison between public and private sector industries on the basis of the findings while the industries are matched with each other in terms of such situational factors as technology, autonomy, nature of product, hierarchical structure and location. It also analyses the management attitude towards employee participation leading to Organizational effectiveness.

Objective

The present study was undertaken with the following objective:

Generalize and validate the conclusion of the study in other industries of comparable nature, the study verified the hypothetical assumption that the effectiveness of participation from social psychological view point could be explained by the interaction of perceived organizational climate on the one hand and work values of the employees on the other hand that participation effectiveness could bear some fruits on productivity and absenteeism.

Make a comparison between public and private sector industries on the basis of the findings while the industries are matched with each other in terms of such situational factors as technology, autonomy, nature of product, hierarchical structure and location.

Extend the scope of the study on a broader perspective by including management's attitude towards participation. Explain participation potential of each enterprise in terms of its respective structures of the trade unions and form of participation and thereby establish its relationship with participation effectiveness. Evaluate actual performance in terms of subjective performance ratings- its variation between industries in accordance with their respective participation effectiveness.

Introduction

Orr's (1990a, 1990b, 1987a, 1987b) detailed ethnographic studies of service technicians illustrate how an organization's view of work can overlook and even oppose what and who it takes to get a job done. Next, we turn to learning and, in particular, to Lave and Wenger's (1990) practice-based theory of learning as "legitimate peripheral participation" in "communities-of. practice." Much conventional learning theory, including that implicit in most training courses, tends to endorse the valuation of abstract knowledge over actual practice and, as a result, to separate learning from working and, more significantly, learners from workers. Together Lave and Wenger's analysis and Orr's empirical investigation indicate that this knowledge-practice separation is unsound, both in theory and in practice. We argue that the composite concept of "learning-in-working" best represents the fluid evolution of learning through practice. From this practice-based standpoint, we view learning as the bridge between

working and innovating. We use Daft and Weick's (1984) interpretive account of enacting organizations to place innovation in the context of changes in a community's "way of seeing" or interpretive view. Both Orr's and Lave and Wenger's research emphasize that to understand working and learning, it is necessary to focus on the formation and change of the communities in which work takes place. Taking all three theories together, we argue that, through their constant adapting to changing membership and changing circumstances, evolving communities-of-practice are significant sites of innovating. Orr's (1990a, 1990b, 1987a, 1987b) ethnography of service technicians ("reps") in training and at work in a large corporation paints a clear picture of the divergence between espoused practice and actual practice, of the ways this divergence develops, and of the trouble it can cause. His work provides a "thick" (see Geertz 1973), detailed description of the way work actually progresses. Orr contrasts his findings with the way the same work is thinly described in the corporation's manuals, training courses, and job descriptions (Ryle (1954) makes a similar point.) The *opus operatum*, the finished view, tends to see the action in terms of the task alone and cannot see the way in which the process of doing the task is actually structured by the constantly changing conditions of work and the world. Through a reliance on canonical descriptions (to the extent of overlooking even their own noncanonical improvisations), managers develop a conceptual outlook that cannot comprehend the importance of noncanonical practices. People are typically viewed as performing their jobs according to formal job descriptions, despite the fact that daily evidence points to the contrary (Suchman 1987b). Zuboff (1988) in her analysis of the skills people develop working on complex systems describes similar cases of story telling and argues that it is a necessary practice for dealing with "smart" but unpredictable machines. Jordan's (1989) work similarly draws attention to the central, dual role of informal stories. She studied the clash between midwifery as it is prescribed by officials from Mexico City and as it is practiced in rural Yucatan. Concepts of knowledge or information transfer, however, have been under increasing attack in recent years from a variety of sources (e.g., Reddy 1979). In particular, learning theorists (e.g. Lave 1988; Lave and Wenger 1990) have rejected transfer models, which isolate knowledge from practice, and developed a view of learning as social construction, putting knowledge back into the contexts in which it has meaning (see also Brown, Collins, and Duguid 1989; Brown and Duguid, in press; Pea 1990). These, it has been argued (Hedberg, Nystrom and Starbuck 1976; Schein 1990), drive innovation by allowing the parts of an organization to step outside the organization's inevitably limited core world view and simply try something new. This is the problem which Deetz and Kersten (1983) describe as closure: "Many organizations fail because . . . closure prohibits adaptation to current social conditions" (p. 166). Putnam (1983) argues that closure-generating structures appear to be "fixtures that exist independent of the processes that create and transform them" (p. 36).

As von Hippel (1988), Barley (1988), and others point out, innovating is not always radical. Incremental improvements occur throughout an innovative. As a result of such misunderstandings, many modern processes and technologies, particularly those designed to downskill, threaten the robust working, learning, and innovating communities and practice of the workplace. Between Braverman's (1974) pessimistic view and, lies Barley's (1988) complex argument, pointing out that the intent to downskill does not necessarily lead to downskilling. Tushman and Anderson (1988), for example, argue justifiably that the typical, large organization is unlikely to produce discontinuous innovation.

Findings

On the relationship between work values and background characteristics no generalization can be made on the relationship between work values and age. A significant positive relationship was found between these two in the present study. In the previous study a negative relationship was found but did not prove to be statistically significant.

There exists a negative relationship between number of dependents and work values. Both the present and previous studies established this relationship as significant. That is, as the number of dependents increases, the work values of an individual diminish.

A significant positive relationship was found between work values and educational qualification in both the studies. Therefore, It can be accepted as a general truth that as the level of education increases an Individual's appreciation of the intrinsic aspects of work also increases.

No generalization can be made on the relationship between Job level and work values. In the present study the relationship is positive and significant. In the previous study, though the relationship was positive but not significant.

On the relationship between organizational climate and participation effectiveness:

(i) In both the present and previous studies, the relationship between organizational climate and participation effectiveness is positive and proved to be statistically significant. That is, better-perceived organizational climate leads to higher participation effectiveness.

(ii) In both the studies, a significant negative relationship between the idea-actual perceptual difference in organizational climate and participation effectiveness indicates that larger the difference between the ideal and the actual perceived organizational climate, smaller is the participation effectiveness and vice-versa.

3. It cannot be generalized that work values have moderating effect in influencing the relationship between organizational climate and participation effectiveness, since in the present study the moderating effect is not significant as against the previous study where it was significant.

4. Nothing can be stated categorically on whether the supervisory category of employees perceives participation effectiveness better than their workmen counterpart. But the findings of the present study indicated that they do not differ significantly.

5. No consistent pattern of relationship was found, either between participation effectiveness and productivity or between participation effectiveness and absenteeism.

6. While making a comparison between public sector and private sector industries, the findings revealed that

In both the industries public sector and private sector better perception of organizational climate leads to higher participation effectiveness.

The difference between the expected and the actual organizational climate as perceived by the employees is significant in both the public and the private sector industries. Among the two industries, the differences are significantly higher in public sector Industry. The employees in private sector Industry perceive participation as more effective than that of public sector industry. In both the industries the negative relationship between Ideal-actual differences in organizational climate and participation effectiveness is found. Between the two industries, again, this negative relationship is higher in public sector. The moderating effect of work values on the relationship between organizational climate and participation effectiveness exists in private sector industry, but this is not true for public sector industry. The supervisors and the workman of both the industries perceive participation effectiveness more or less equally. The public sectors industry is marginally better than the private sector industry in terms of achieving production target and reduced rate of absenteeism.

7. On management's attitudes towards participation, it has been revealed that management, in general, possesses a positive attitude towards participation. But there is no direct relationship between management's attitude and participation effectiveness.
8. The stronger the trade union's say in organizational activities, the more effective will be the participation.
9. Permanent existence of participation scheme and regular functioning of it ensures better perception of participation effectiveness among the employees.
10. Subjective performance rating would be higher in the industry with higher participation effectiveness and vice versa.

On the basis of the finding and the experience gained while conducting the study, the following additional conclusion may be made:

Whether or not the scheme of worker's participation in management is introduced in some form or another, employees' feeling of actual involvement in the organization, the climate being the resultant effect of communication, decision, leadership etc. if the employee works in a healthy environment, both physically and psychologically, with cordial and trust-worthy supervisors, subordinates and peers, automatically they perceive some amount of attachment towards organization and can exert influence in the decision-whether it is direct or through representative whether in the shop floor or in the unit level.

Employees in general desire for participation, although they do not have sufficient education, knowledge, socioeconomic-political background for being capable of participating in different organizational decision-making.

It has been found that sense of pride about their work and their company encourages employees to perform better to maintain status-queue.

The primary aim behind introducing participation scheme should not be to increase productivity or reduce absenteeism, but to improve the quality of working life of the employees. The organization should create an environment such that the human capabilities and innovations are utilized best, which may ultimately ensure better productivity and lesser absenteeism.

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