Impact of Workers Participation on Performance And Productivity: A Systematic literature review

Sonika *

Abstract

Employees are the lifeline of an organization like the human body needs blood to be alive as an organization needs employees to achieve its goals and to become successful. Workers involved in the organization in the form of decision making, profit sharing, ownership will be helpful in increasing their morale and motivation to work so that the organization achieves its goals successfully. It is a systematic literature review; articles from the web of science and Googlescholar are taken into consideration. Systematic literature review of all journals and their classification is done according to different categories and coding is done on the basis of classification. Gaps are found out at last and conclusions and recommendations for the better study in the future.

Keywords: worker participation, performance, productivity, decision making, ownership.

Introduction

Worker participation is necessary for a good relationship between management and employees. Worker participation related to two-term: first is worker participation in management, second is related to worker participation in financial terms of the organization like participation in profit, bonuses, etc. According to a study, it is a system in which workers and management share important information between each other and the participation of workers helps the organization in making a good decision.

According to Dr. Mhatras, the concept of

worker participation is, "a principle of democratic administration of industry, sharing the decision-making power by the ranks of an industrial organization, through their proper representatives at all appropriate level of management, in the entire range of managerial actions". It is believed that if workers are involved in the management and in profit sharing then organization performance and productivity will be improved at the highest level. In the words of G.D.H. Cole, "better participation and greater responsibility in decision- making process on

^{*} Research scholar (Business Management), Chandigarh University, Gharaun

the part of general workers would perhaps tend to develop in them organizational loyalty, confidence, trust, favorable attitude towards supervisors, and a sense of involvement in the organization. Scheme of workers' participation in management among other measures of industrial reforms is expected to democratize the industrial milieu, and ensure egalitarianism in the process". Workers' participation helps the management to improve performance and productivity or organization. Performance and productivity are not the same terms: performance refers to how effectively a worker performs his task and productivity refers to how much a worker produces the unit of goods in a given time duration. For achieving the goal of an organization, it is very much important to increase the worker's productivity and performance of its employees. There are various terms used to improve the performance and productivity of employees like the involvement of workers in the management, involvement in the profit, bonuses, ownership, etc.

Taking into consideration earlier studies, this study focuses on the impact of worker participation on the productivity and performance of the organization. All study related to these terms is taken into consideration to find a gap from a literature review of articles of various countries published in different years. In this paper at first, brief introduction of the subject is given after that literature review is done, after that the methodology taken for systematic literature review is taken into consideration after that main results and gaps are find from this review and at last conclusion, ad suggestions are given for the future period.

3. The Theoretical framework of Reference

Many research papers are studied to find a gap between these studies. In the theoretical framework of reference, many terms are defined by different journals in their studies. Some terms are the following:

3.1. Worker participation:

worker participation means involvement of workers in taking decision and involvement of workers in financial terms like profit, bonuses, etc. participation can be in many forms like participation in decision making, discussion, group decision making, labour-management co-operation, suggestion system, employees' representatives on board of directors etc. if workers participate in these form of participation then organization goal will be achieved easily because employees in the organization are the human assets of the organization if they are satisfied that then all the goals of the organization will be achieved. There is a various committee made in India for worker participation like work committees, joint management councils, shop councils, and joint councils and joint councils, etc.

- **3.2. Worker performance:** worker or employee performance means how the employees perform their duties which are assigned to them in the organization.
- **3.3. Workers productivity:** worker productivity means the amount of unit produced by the workers in a fixed time of duration and how efficiently they do their work.

Many studies are conducted in developed and developing countries to know the impact of worker participation on the performance and productivity of an organization. All these studies say that if workers are involved in management, ownership, and profit of the organization then the motivation and morale of the employees will be increased and the

absenteeism rate of the employees decreases at the highest level. Workers got many opportunities in the firm. In most of the studies, it is shown that there is a positive relationship between worker participation and performance of the organization.

4. Systematic review methodology

This paper is a systematic review. It presents the impact of worker participation on performance and productivity in a better way. This study is based on many research papers from different journals all over the world to find a gap related to this study. This research divided into the following parts:

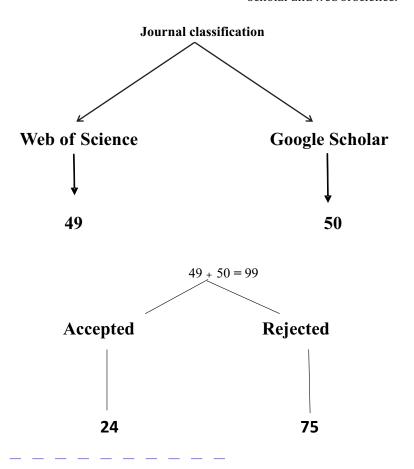
· Firstly,an analysis of previous research

papers across the world.

- A brief summary of the research paper contributed to the study.
- Classifying the different features of related papers and coding of those features.
- Strengths and weaknesses of the study according to analysed research papers.
- To find the main gaps related to the impact of worker participation on the performance and productivity of the organization.

4.1 Characterization and Execution

After analysing all the research papers related to the impact of workers' participation on performance and productivity of the organization. Journals are taken from google scholar and web of science.



Various research is taken from the web of science and Google scholar. Some are rejected which are not related to this study and those research paper which are related to this study and contribute an important part in this research are taken into consideration.

Different content of these studies is classified into different categories and subcategories. The first category is the context. In context, the different study is classified according to developed and developing countries. Coding is done to find that from which country the research is taken into consideration. Coding is done like X, Y, Z. X for developed countries and Y for developing or emerging countries and the Z is for the study which is not applicable to anyone of the codes mentioned above. The second category is done on the basis of geographical area and coding are done from X to Z and A to C. X is for United States of America, Y stands for Asian Countries, Z is for European Countries, A stand for Oceania, B is for Other-Countries, C is for which the study is not applicable. The third category is made for the objective of the study and coding is done from X to Z and A. X stands for Conceptually Contributed, Y is for the case study, Z is for Literature review, A is for not applicable. The fourth category is the main subject and coding is done from X to Z and A. X is related to worker participation, Y stands for worker productivity, Z stands for worker performance, A is for not applicable. Fifth category is for method used in the study and coding are done from X to Z and A to D. X is stand for quantitative method, Y stands for qualitative method, Z is for conceptual method, A is for quantitative/ qualitative or qualitative and quantitative, B is for survey, C is for Case- study, D stands for not applicable. Sixth category are done for topics and coding are done from X to Z and A to F. X is stand for financial participation, Y stands for impact of worker participation on productivity, Z is for impact of worker participation on performance, A is stand for impact of worker participation on performance and productivity, B is for relationship between worker participation and job satisfaction. C is for employee's stock ownership and corporate performance, D is for team incentive and worker performance, E is for human resource management practices and productivity and F is for not-applicable. At last, the results are categorized from X to Z and A to B. X is for a new perspective, Y is for consistency with previous literature, Z is for previous model with different dataset/ time period, A is for comparative study, B is for not-applicable. These categorizations are very helpful to analyze the different studies and to find out the gaps from the study.

Table1 Classification according to different category

C	Classification according to different category					
Category	Торіс	Code				
1	Context	X- Developed countries				
		Y- Developing countries				
		Z- Not- Applicable				
2	Geographic Region	X- United States of America				
		Y- Asian countries				
		Z- European countries				
		A- Oceania				
		B- Canada				
		C- Other countries				
		D- Not- applicable				
3	Objective	X- Conceptually contributed				
		Y- Case study				
		Z- Literature Review				
		A- Not- applicable				
4	Main Subject	X- worker participation				
		Y- worker productivity				
		Z- worker performance				
		A- Not-Applicable				
5	Method	X- Quantitative Method				
		Y- Qualitative Method				
		Z- Conceptual Method				
		A- Quantitative/ Qualitative				
		Or				
		Qualitative/Qualitative				
		B- Survey				
		C- Case Study				

4.2 Interpretation and Result

In this section, the overall categorization of the

research paper is analyzed and coding is done for better results in table 2. After that, the results and discussion about all categories and subsections are done from the above table.

Table 2: Data classification and categorization for each paper

Sr. No	Context	Geograph ical area	Objecti ve	main subject	Method	Topic	Results
1	X	Z	X	X, Y	X	A	Y
2	X	Z	X	X	В	В	Z
3	X	Z	X	X	X	X	Z
4	Z	С	X	Y	В	Y	Y
5	X	С	A	A	X	F	В
6	X	Z, X	X	X, Y	X	X, Y	X
7	X	Z	X	X, Y	X	Y	X
8	X	X	X	X, Y	X	Y, C	X
9	Z	Z	X	X, Y, Z	X	Z, Y, D	X
10	X	X	X	X	В	X	Y
11	Z	Z	X	X, Y	Y	Y	Y
12	Z	Z	Y	Y	С	Е	X
13	Z	Z	X	A	В	F	Z
14	Y	Y	A	A	X	F	X
15	Z	С	X	X	Y	Y	Y
16	X	Z	X	X, Y	Y	C, Y	Y
17	Z	С	X	X, Z	С	Z, X	X
18	X	X	X	X, Y, Z	С	Y, B, Z	X
19	X	X	X	X, Y	X	Y	Y
20	X	Z	X	X, Z	X	Z	Y
21	Y	Z	X	X, Y, Z	X	B, Y	Y
22	X	Z	X	X, Y	Z	Y, B, Z	Y
23	Z	Z	X	X, Z	X	B, Z	Y
24	X	Z	X	X, Y, Z	X	A, X	Y

4.3. Context

The first classification includes the identification of context analyzed by all the research papers. These are divided from X to Z. X- Developed countries; Y- Developing

Countries; Z- Not- Applicable. After that, the result is obtained from this. It is found from this study that the studies related to the impact of worker participation on performance and productivity of organizations are done in developed countries but this is helpful for all the developing countries also. The result of

Gap1: gap1 are presented in the following graph:

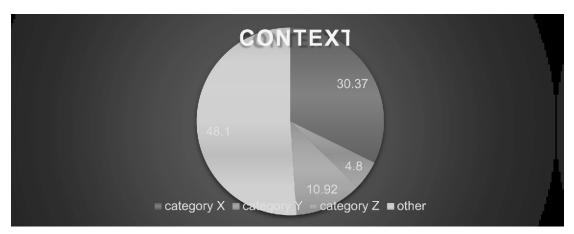


Figure 1

this will be gap1

Figure 1 shows that the context of studies analyzed categories: X- Developed countries; Y- Developing Countries; Z- Not-applicable.

4.4. Geographical Area

The second classification is done on the basis of the geographic region of the countries. Their codification is done are as follows: X- United State of America; Y- Asia; Z- Europe; A-Oceania; B- Canada; C- other countries and D-Non-applicable. This classification is shown as follows in graph 2.

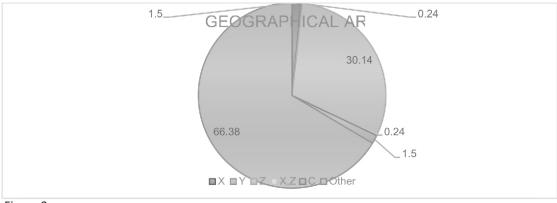


Figure 2

4.5. Objective The third classification state the objectives of the research papers. These are codded from X to Z and A. X- Conceptually

contributes to the subjects; Y- Present a case study; Z- Literature review; A - Notapplicable. The result of this is shown in figure 3.

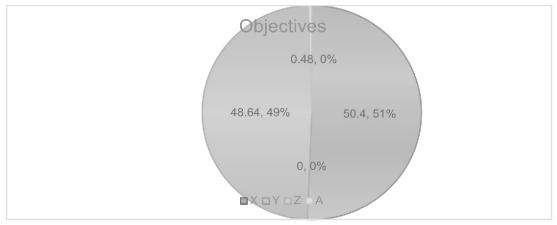


Figure 3

Gap2: It is found from the above figure that there is a need to present a case study regarding the impact or worker participation on the performance and productivity of the organization all over the world.

4.6. Main subject: Themain subject of the research is classified from X to Z and A. X- it is related to worker participation, Y- it is related to worker productivity; Z- it is related to worker performance; A- Not- applicable. These are shown in figure 4 as follows

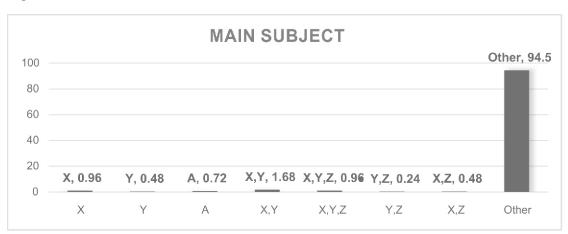


Figure 4

4.7. Method

In this category, method are categorized from

X to Z and A to D. X- Quantitative; Y-Qualitative; Z- Conceptual A- Quantitative/ Qualitative or Qualitative/ Quantitative; B-Survey; C-Case study; D- Non- applicable.

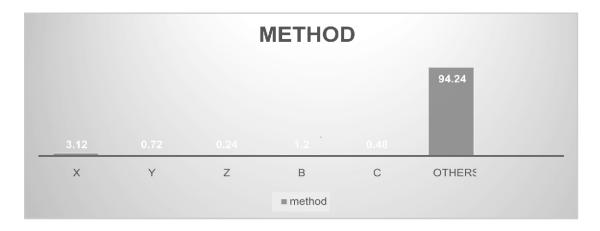


Figure 5

These are shown in the following figure:

Gap3: Mostly only quantitative method is used but for better research, the conceptual framework of the research should be done.

4.8. Topics

Topics are categorized from X to Z and A to F.X-Financial involvement; Y-impact of worker

Participation on productivity; Z- impact of worker participation on performance; Aimpact ofworker participation on performance and productivity; B- worker participation and job satisfaction; C-

These all classification are shown in the following figure:

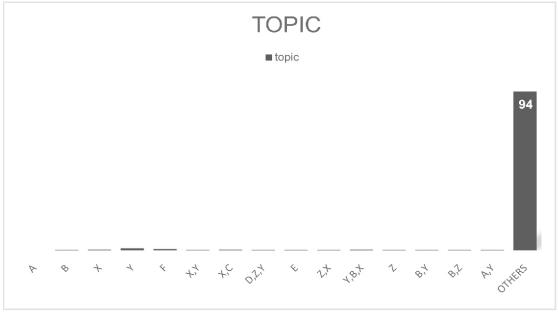


Figure 6

employees stock and ownership performance; D-team incentive and worker performance; E-human resource management practices and productivity; F-Not-applicable.

4.9. Results and interpretation

At last, the result is finding out, their classification is done from X to Z and A to B. X-new perspective; Y- consistent with previous



Figure 7

literature; Z- previous model with different dataset/time period; A- comparative study; B-Not- applicable. There coding is shown as follows:

Gap4: it is found that there is no comparative study done in this study, for the better result the study should be comparative. Companies should do comparative studies with each other companies to find the impact of worker participation on the performance and productivity of each other.

5. Conclusion and Recommendations

This study is done to know about the impact of worker participation on the performance and productivity of an organization. This is not really a recent discussion but there are various studies remained to do relate to this study. This result will be very helpful for the public and private companies that they should involve workers in the decision making so that

the goals of the organization will be achieved successfully. They should have knowledge about that if they involve the workers in the decision-making policies and involvement in profit and give extra bonuses to the ones who work more than the standard set by companies. This study analyzes various journals from the web of science and google scholar. After analyzing all the accepted journal which was related to this study classification are done. Classification is done into seven categories and all seven categories are coded accordingly. After the coding and thorough analysis of all study research are find out from this study. It is found that the study related to this topic is mostly done in developed countries so the study should be done more in developing countries. the various conceptual case study has to be done related to this study and many innovative methods of research should be taken into consideration for the better results.

There are some limitations to my study. First is the present study is based on some journals, there may be a lot of other journals in which study related to this topic had done already. Although some gaps are identified, there are a lot of gaps to be further explored. Future researches related to this topic attract my attention to know more about this study.

References

- Andries De Grip, Jan Sauermann; The Effect of Training on Productivity: The Transfer of On-The-Job Training from The Perspective of Economics. (2013). Educational Research Review, 8, 28–26.
- 2. Ben-ner, a. v. n. e. r., & jones, d. e. r. e. k. (1995). Employee Participation, Ownership, AndProductivity: A Theoretical Framework. Industrial relation, 34(4),532-558.
- Conte, m. (1988). Productivity effects of worker participation in management, profit-sharing, worker ownership of assets and unionization in U.S. firms. International Journal ofIndustrial Organization, 6, 139–151.
- 4. Doucouliagos, H., &Laroche, P. (2019). IsProfitSharingProductive? AMeta-Regression Analysis. British Journal ofIndustrial Relations, 0007(1080), 1–32.
- 5. Edwin A. Locke (1984); Social Psychology and Organizational Behavior, ParticipationInDecision Making: When Should It Be Used. (1984), 65-79.
- 6. Forde, C., &Slater, G. (2006). Fearing the Worst? Threat, Participation andWorkplace Productivity. Economic and Industrial Democracy, 27(3), 369-398.
- 7. Grimsrud, B. (2006). Productivity PuzzlesShould Employee Participation Be An

- Issue? Nordic Journal of Political Economy, 32, 139–167.
- 8. Gubler, T., &Pierce, L. (2017). Doing well by making well: The impact of corporate wellness Programson EmployeeProductivity. Management Science, 1–21.
- 9. Jenkins, d. o. u. g. l. a. s. (1981). Impact of Employee Participation in Pay Plan Development. Organizational Behaviour and Human Performance, 28, 111-128.
- 10. Jones, d. e. r. e. k. (2006). Human resource management policies and productivity: new evidence from an econometric case study. Oxford review of Economic Policy, 22(4), 526–538.
- 11. Joseph Blasi, Michael conte, and Douglas Kruse; Employee stock ownership and corporate performance among public companies. (1996). Industrial and Labour Relations Review, 50(1), 60–79.
- 12. Julian. (1987). The Effects of Participation in Decision-Making on Worker Satisfaction and Productivity: An Organizational Simulation. Journal of Applied Social Psychology, 17(2), 158–170.
- 13. Khalid, K., &Masood, T. (2007). Impact of Employee Participation on Job Satisfaction, Employee Commitment and Employee Productivity. International Review of Business Research Papers, 3(2), 54–68.
- 14. Leila Baghdadi, RihabBellakhalAnd Marc-Arthur Diaye; Financial Participation: Does theRisk Transfer Story Hold In France. (2016). British Journal ofIndustrial Relations, 0007 (1080), 3–29.
- Mckone, K., &Schroeder, R. (2001). The Impact of Total Productive Maintenance Practices on Manufacturing Performance. Journal ofOperations Management, 19,

39-58.

- 16. Mcnabb, R., &Whitfield, K. (1998). The impact of financial participation and employee involvement on financial performance. Scottish Journal of Political Economy, 45(2), 171–187.
- 17. Miller, k. a. t. h. e. r. i. n. e., & Monge, p. e. t. e. r. (1986). Participation, satisfaction, and productivity: a meta-analytic review. Academy of Management Journal, 29(4), 727–753.
- 18. Motamedzade, M., & Shahnavaz, H. (2003). The Impact of Participatory Ergonomics on Working Conditions, Quality, and Productivity. International Journal of Occupational Safety and Ergonomics, 9(2), 135–147.
- 19. Owan, h. i. d. e. o. (2002). Team Incentives andWorker Heterogeneity: An Empirical Analysis ofTheImpact ofTeams onProductivity andParticipation. John M. Olin School ofBusiness Washington

- University in St. Louis Campus Box 1133 One Brookings Drive St. Louis, MO 63130, 1–48.
- Richter, A., &Schrader, S. (2017). LevelsofEmployeeShareOwnership andThePerformanceofListed Companies in Europe. British Journal of Industrial Relations, 0007(1080), 396-420.
- Sesil, J. (2006). Sharing Decision-Making andGroup Incentives: The Impact onPerformance. Economic andIndustrial Democracy, 27(4), 587–607.
- 22. Wiele, P. (2010). The Impact of Training Participation and Training Costs On firm Productivity InBelgium. The International Journal of Human Resource Management, 21(4),582–599.
- 23. Wright, P., &Gardner, T. (2003). The Impact of HR Practices on The Performance of Business Units. Human Resource Management Journal, 13(3), 21–36.