

**EMPLOYEE PARTICIPATION AND ORGANIZATIONAL PERFORMANCE
A CASE STUDY OF MUKWANO INDUSTRIES LIMITED IN UGANDA**

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UNIVERSITY**

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DECLARATION

I declare that this piece of work is my original, done to the best of my Knowledge and has not been submitted for any award in any other university or institution of learning.

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APPROVAL

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Date: 

DEDICATION

This piece of work is dedicated to my Parents Mr and Mrs Kashaijaya Michael, who have been of great financial and moral support towards the successful completion of my 3 years at Kampala international University.

ACKNOWLEDGEMENT

I thank the almighty God for the gift of life and wisdom. He has provided me with the strength, passion and interest of studying

Am very grateful to my parents and siblings for the support they have always rendered towards my studies. Without their moral and financial support I wouldn't be where I am today.

Special thanks to my academic supervisor Ms. Busingye Susan who tirelessly helped answer all my inquiries. She has been of great help to the completion of this report.

My gratitude to my Husband who has provided the moral and Financial support and to all my friends who were with me during the hard times in my studies, helped me in whichever way they could, advised me and stayed with me during all times.

I am so grateful and may the Almighty God bless you all abundantly!

God bless you all!

ABSTRACT

The research topic was identified because most organizations do not recognize the employee participation in organizational decision making.

The study set out to investigate the relationship between employee participation and organizational performance at Mukwano industries limited in Uganda. It was guided by a number of objectives which were to establish the forms of employee participation, to investigate the relationship between employee participation and performance and to determine the ways on how employee participation can be improved in the organization.

The study was carried out using self administered questionnaires, interview guides and the results were analyzed and presented in tables, frequencies of the respondents, figures and n content.

Summaries were also drawn and conclusion made from the collected data. The study revealed that employee participation was a major factor to organizational performance.

It enhances positive response to change, increased more suggestions. The study also revealed that employees understood best appropriate situation when they were engaged in decision making.

The researcher recommended that the organization should use various alternative ways of motivating employees in the organization. However future study should be done to get more light in this problem.

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CHAPTER ONE

1.0 Introduction

The study is an investigation on the relationship between employee participation and organizational performance in Mukwano Industries Limited, Uganda.

This chapter will present the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, the scope, significance of the study, conceptual frame work and research limitations.

1.1 Background of the study

In many European countries, participation is mandated by law. Employee representatives sit on corporate boards of Directors and high level work councils and routinely become involved in a wide range of policy decisions. These councils articulated employees' interests in discussion with the management. In Germany particularly established the codetermination law of 1951 substantial of employees influence in direction of companies in coal iron and steel industries. Under Germany corporation law most companies have two directing boards. The upper board called supervisory board and the lower board called management board. The law stipulates that shareholders shall appoint five members of the supervisory board, the employees shall select five members and one member shall be chosen by the board itself as a neutral. (Marrow, 1976).

In United States, participation tends to be further informal and dependent upon the inclinations of managers in their particular organizational units. The national association suggestion systems (NASS) estimated that there are about 3000 formal suggestion stems operating in the United States. However, European workers do have an advantage over their American counterparts in that their work councils are integral parts of their enterprises and that their structure for participation in enterprises decisions is written into law in most instances.

In Japan, participation is oriented towards operational decisions with the intent of gaining consensus within and across workgroups on most matters of significance.

In United States, managers for years eschewed both the European and Japanese model (Locke, 1979).

In Africa, countries have achieved only partial success due to factors like lack of proper education among workers, lack of understanding between the management and workers and multi-unionism. A good organizational environment built on mutual trust and confidence between management and workers' participation. Employee participation is more or less ignored, *"hope was if employees were given opportunity to participate in decision making concerning their work environment, the confidential information will be leaked to other rivals"* (Birungi, 2006).

In Uganda, participation in decision making is mainly done by union representatives through collective bargaining where employees wish to have a union represents them in negotiations with the employers over such matters as goal setting , wages , hours of work with other condition of employment.

In Mukwano Industries Limited where the case study is being carried out, the management team running the Group of Companies as a confluence of experience and talent, which is to its performance. The professionalism in management in management is epitomized by its transparency in operations and industry best practices management style. Mukwano Industries Limited was founded by Amirali as a family owned business in 1986, located on plot 30 Mukwano road. Mukwano Group is a conglomerate of business enterprises having extremely well diversified interests in manufacturing, logistics realty financial services. (Amirali, 2009). Focused on the manufacture, sale and distribution of a wide range of FMCG products (fast Moving Consumer Products), the Mukwano Group is committed to bringing affordable, high quality products.

1.2 Statement of the problem

research studies that have been undertaken on employee participation indicate that employees who participate in decision making by settling their own goals are likely to show higher performance levels than employees who have decisions set for them (Stoner, 1978). It must be recognized that some employees desire more participation than others.

Employee participation, tend to have higher performance, job satisfaction motivation, higher self-esteem, stress management and quality of work life.

There is non existence of employee participation in the activities of Mukwano Industries limited, this has hindered the higher performance due to lack of employee Participation in some activities. (James, 2009) hence the Researcher seeks to investigate deeper into the study to balance an emphasis upon getting the job done with the importance of involving employees in the process of decision making.

1.3 Purpose of the study

The purpose of the study was to investigate the relationship between employee participation and performance in Mukwano Industries Limited, Uganda.

1.4 Objectives of the study

The following will be the objectives under which research will be carried.

1. To establish the forms of employee participation in Mukwano Industries limited.
2. To investigate the relationship between employee participation and performance.
3. To determine the ways on how employee participation can be improved in Mukwano Industries Limited, Uganda.

1.3 Research questions

1. What are the forms of employee participation in Mukwano Industries Limited?
2. What is the relationship between employee participation and performance?
 1. What could be the best ways on how employees' participation can be improved in Mukwano Industries Limited, Uganda?

1.6 The scope of the study

The was carried out in Mukwano Industries Limited, located in industrial area; Plot 30 Mukwano road from 2009 - 2011 in Kampala city of Uganda .It targeted 200 workers the Company. It investigated the relationship of employee participation over on organizational performance within Mukwano Industries Limited. The study makes recommendation for the various organizations on how employee participation can be successful

1.7 significance of the study

The study will be useful to the following parties

To the students, study of employee participation will help them to know that participation is sometimes regarded as a form of job enlargement for improving employees with skills and knowledge at work.

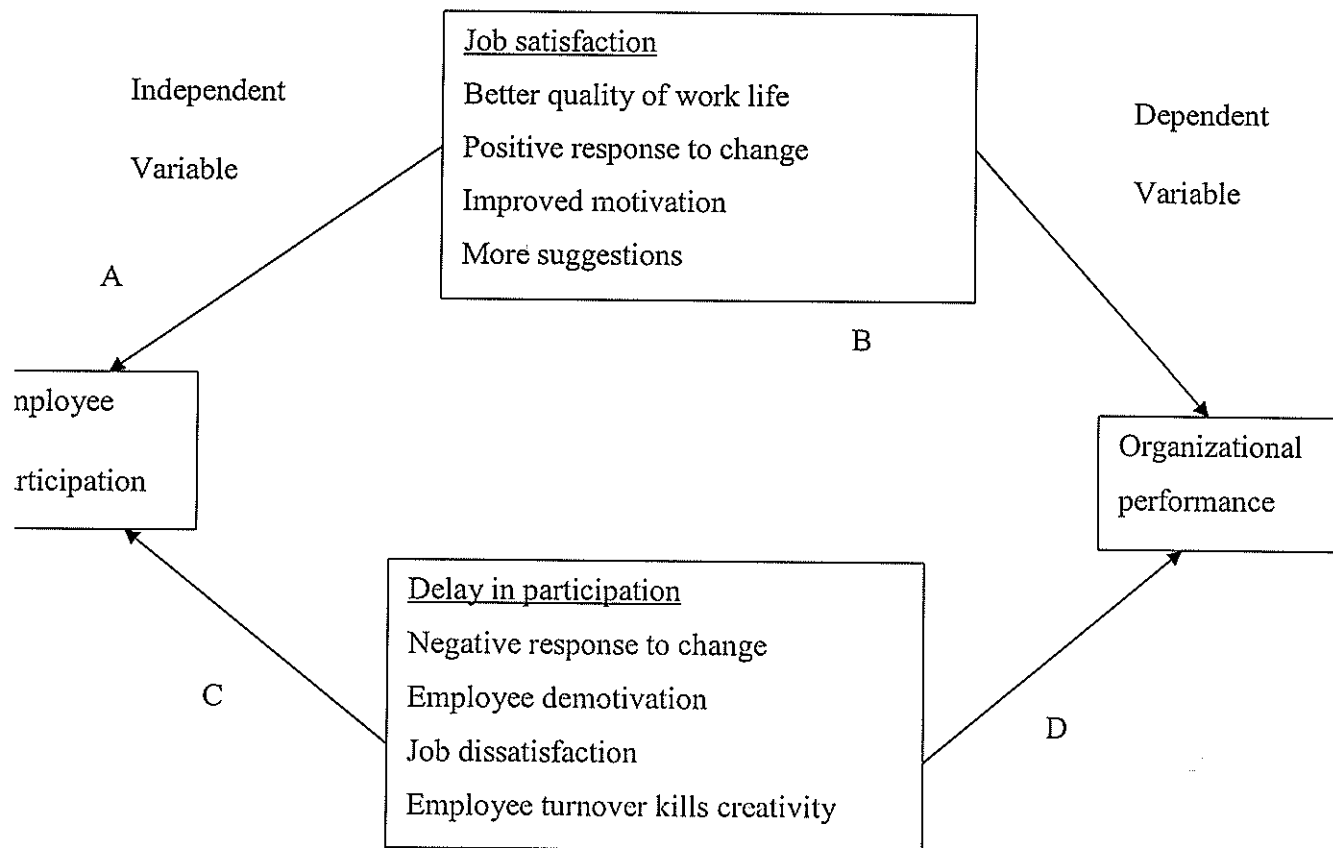
Participation is also appropriate for all levels in the organizational hierarchy regardless of the blue collar and white collar jobs, starting from the cleaner up to top managers

The study will encourage employees to contribute their ideas and opinions about any organizational process on the adhoc basis.

The study will also help the managers of Mukwano Industries Limited to know that employees can also be motivated through non financial nature by recognizing them as well financial nature

1.8 Conceptual framework

The conceptual framework presented below to show the relationship between employee participation as independent variable and organizational performance as dependent variable in the climate of intervening variable



Source: Self initiated

Explanation of the conceptual framework

Employee participation as independent variable (IV) and performance as dependent variable (DV). The framework investigated that organizational performance can be achieved through participation activities and recognize employees in decisions, where figure A and B show the arrows and explained participative management will lead to better quality of work life, more suggestions and ideas, positive response to change because their change agents and improved their motivational strategies hence high job satisfaction and high performance.

The arrows C and D arrows show that when many executives have the notion worthwhile employees to contribute in organizational decisions and delay them in participation of their own goals , there would be negative response to change, employee turnover, kills creativity and demotivation hence dissatisfaction result into low performance outcome.

1.9 Research Limitations

The researcher found the problem of getting some information most especially from the Human Resource Manager as He used o be so hard and considered some information to be confidential.

Most of the employees in Industries are busy most especially in the registry office where information is kept; therefore less time will be posed to the researcher.

The transport cost to researcher affects him from the university site to the car park and from there to Mukwano headquarters where a lot of Jam up to the field study.

The researcher had poor interaction skills with employers mainly at the top level were he was shy and so quite.

CHAPTER TWO

REVIEW OF LITERATURE

2.0 Introduction

This chapter aims at identifying all relevant sources of literature review include documents such as periodicals, books magazines, newspapers, and other research books. These sources are classified into categories; primary sources and secondary sources.

Primary sources: these are direct description of an occurrence by the researcher who actually observed or witnessed its occurrence. Secondary sources: these are publications written by other authors and researchers.

This chapter presents theoretical review, forms of employee participation, the relationship between employee participation and performance, and the knowledge gap identified.

The review of literature involves the systematic identification, location and analysis of documents containing information aimed at obtaining detailed knowledge.

2.1 Theoretical Review

A theory is a systematic grouping or interdependent concepts and principles that gives a frame work to, or ties together, a significant area of knowledge (sarantakos, 1997).

Locke (1979) defined a theory as a set of systematically tested and logically interpreted propositions that have been developed through research and that explains social phenomena. The behavioral management theory: the study of how manager should behave in order to motivate employees and encourage them to perform at high levels and be committed to achievement of organizational goals. Marry Parker (1868 -1933) pointed out that *"Management often overlooks the multitude of ways in which employees can contribute to the organization when managers allow employees to participate and exercise initiative in their every day work lives"*.

Parker (1933) argued that, because workers know the most about their jobs, they should be involved in job analysis and managers allow them to participate in the work development process. Marrow (1976) also argued that, *"If workers have the relevant knowledge, then workers rather than managers, should be in control of work process itself"*. Follett anticipated that current interest in self-managed teams and participation. Therefore, follett's behavior theory to management was very radical in today's management.

Employee participation is a system of communication and consultation either formal or informal by which employees of an organization are kept informed about the affairs of the undertaking or through which they express their opinions and contribute to management decisions (Subba Rao, 2008). Employee participation is also defined as management's willingness to allow employees to participate in important work decisions lets them know that they are considered competent and valued partners in the organization.

This satisfies their needs for recognition, independence appreciation by others (Lewin, 1938). According to McGregor (1967) defined participation as "*arrange of possible managerial actions, the most suitable degree of participation is situation*".

Yukl (1971) argues that organizational performance is the system whereby an organization can achieve the desired goals and objectives through motivation, evaluation, and monitoring performance.

According to Beach (1965) found that in all studies there was a positive correlation between participation and higher performance. There are three important ideas in the participation view. Mental and emotional involvement. First and probably foremost, participation means mental and emotional involvement rather than mere muscular activity.

Motivation to contribution. A second important ideal participation is that it motivates people to contribute their own resources towards the objectives.

Acceptance of responsibility. Participation is that it encourages people to accept responsibility in their group's activities.

The study is based on the human relations management theory thereby, the movement in vogue from the 1930's assumed that every individual should be treated as human being in the organization. Thus, one group or individual is more important than others; rather the contribution of each should be recognized. (Beach, 1965).

The Human relations approach to management made relationships between employees and supervisors the most salient aspect of management. Abraham Maslow (1908-1970) doped a theory of motivation-based, suggested that managers can motivate employees by providing an environment in which the employees can satisfy their performance. Non monetary factors such as participation, praise, recognition and job characteristics motivate human behavior.

McGregor (1967) used a human relations perspective to compare the assumptions leaders make about employees, which he called theory X and theory Y. Highly controlling and automatic supervisory styles based on theory X assumptions would most likely be inefficient because they waste human potential that could make substantial contributions to the organizational performance.

Leaders who hold theory Y assumptions believe that most employees are seeking ways to exercise their creativity and initiative, and they will most likely perform up to or even exceed job expectations when given opportunity to participate.

Managers still have authority over people and financial resources, but today's organizations are more decentralized than ever before, and employees have more autonomy to define their jobs, decisions to take, monitor their own work, and set their own objectives. In a very real sense, employees are increasingly being asked to manage themselves.

Taylor (1911) in his view, he believed that managers and employees should be dependent on each other by exchanging organizational ideas and opinions in order to achieve desired output would encourage cooperation and result in fewer conflict or strike.

The early experiments suggested in classic studies in industry were advanced by Roethlisberger, Bavelas, Coch and French.

Roethlisberger (1954) and his associates originally sought to show the relationship of to physical changes in the work environment. In the course of their experiments, new relationships - many of which involved in participation developed between workers and supervisors, and workers and experimenters. The results saw how these changes improved both productivity and morale.

Bavelas (1954) worked with sewing machine operators who were on a group incentive. He chose his experiment a superior group whose production averaged about seventy four units a range of seventy to seventy eight. He asked them if they would like to set their own production goal.

Coch and French (1954) worked also with sewing machine operators, introducing changes in three different ways in matched groups. In the first method, which they called non-participation, group members were told about the change, and any questions they had were answered. In the second method, they were told about the change and asked to select representatives to develop with management the work methods and piece rates involved. In the third method, they called total-participation, all workers who were directly influenced by the change plus selected members of management met as a group and together made decisions about change.

These early experiments suggested the general proposition that, especially in the introduction of changes, participation — tends to improve job satisfaction and traditional performance.

Research has demonstrated that subordinates who strong needs for independence react favorably towards the opportunity to participate in decision making than do those who have low independence needs and who score high on the authoritarianism-measuring scale (Yukl, 1971). Organization that used participation and well organized workplaces had better performance records (Megginson et al, 1989).

2.2 Forms of Employee participation in organizations

According to Marchington (1995) has identified five forms of employee participation. Downward communication: this is done through team briefing and meetings by managers to employees to update them to accept management plans through communicating to them.

Upward problem solving: this involves tapping knowledge and opinions from employees; this can be at an individual level or small groups. This is to enable management increase the stock of knowledge in the organization and to encourage cooperative relationship.

Task participation: this entails engaging employees in extending the range and type of tasks they undertake that is horizontal job re-design which involves extending the range of tasks undertaken at the same level. Job enrichment, vertical role integration that involves taking greater responsibility. For supervisory duties, team working where the team organizes its own work so that it becomes self-managed.

Financial participation: in here management puts a scheme in place to allow employees to share profits of the organization and ownership. Gain in sharing is also used by companies as part of the scheme and they are encouraged to discuss with their managers or team leaders the reasons for success of failure and methods of improving performance.

Consultation and representative participation: this enables employees to take part though their representatives in management decision making. This as well assures settlement of disputes with less difficulty. Employee and management representatives should be properly briefed and trained, and have all the information they required.

2.2.1 Formal and informal participation programs

When companies use a sufficient number of programs to develop a general feeling of participation among the employees, it said to practice participative management. (Latham and Steel, 1979).

Informal: this is where employees are encouraged to contribute their ideas and opinions about any organizational process on an adhoc basis.

- i) Individual participation program. A manager may invite one of his subordinates to his office to obtain his thoughts regarding a contemplated job assignment.

In some relationships a subordinate may initiate actions and issues for his supervisor and they jointly discuss operating problems almost at equal (Locke, 1979).

- ii) Manager with group of subordinates. Group participation can occur at any level in an organization. A foreman may convene a meeting on hourly paid production workers to discuss safety problems. Both of the foregoing degree of participation is commonly called consultative form of subordinate influence democratic management (Locke, 1979).

Formal Programs: formal participation programs require the creation of organization structures and formal procedures to carry them out.

- (i) Quality circles. The quality circle movement, which originated in Japan under the name “Kaizen”, was first introduced in the United States in 1980 “. These are groups of employees who do not usually exceed ten (10) in number. They are usually voluntary but

management can also compel some employees to join the quality circles. Organization within a company for quality circles requires four components. A steering committee makes policy and oversees the entire program.

Facilitators: serve as a guide and a process resource to the various quality circles and make a report.

The leaders: must be given thorough training in group dynamics processes and problem-solving techniques.

Circle members: are also given thorough training in group dynamics processes and problem-solving techniques. Circle members. Are also given thorough training in group processes and problem-solving techniques. (Griffin and Moorhead, 1986).

ii) Junior boards. This is where managers constitute themselves into aboard to debate and deliberate on issues pertaining to the organization. Their deliberations and resolutions are forwarded to management for considerations. These junior board of executives have wide latitude to undertake the study of practically and type of problem area affecting the company's performance. (Marchingston, 1995).

iii) Union- Management Cooperation. As means of formal program of cooperation and consultation between management and union to solve a common problem jointly. The union representatives are expected to collect views from the employees who are tabled in such committees. Unions make a distinction between employee participation in the official role of union representatives and participation by an individual employee, as in a shop-safety committee. (Davis, 1981).

(iv) Suggestion programs. Are formal plans to encourage individual employees to recommend work improvements. One difficulty is that they exist primarily by written communication, so the motivation that comes from face-to-face discussion of problem is lacking. However, either party may abuse it especially when employees use them for only complaints and non constructive ideas (Griffin and Moorhead, 2000).

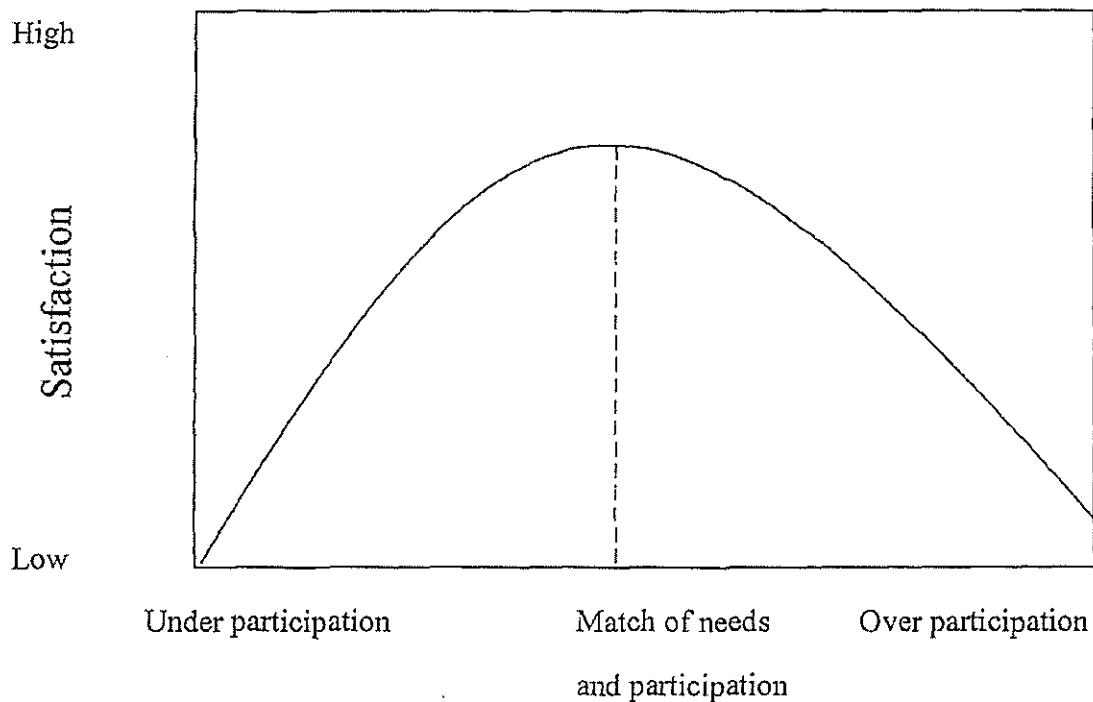
v) Collective bargaining. This is a type of participation program distinctly different from all the other participation programs. Collective bargaining is not instituted by management (except in special circumstances), whereas all of the other programs of participation are discretionary on management's part.

The labor-management reporting and disclosure Act of 1959 contains strong provisions to ensure union democracy. (Yukl, 1971).

2.3 The relationship between employee participation and performance

It must be recognized that some employees desire more typically seek more participation than others. Higher level workers typically seek more participation than lower-level workers. When there higher participation, there is higher performance outcome such as more satisfaction, higher self-esteem, positive response to change.

However, when they lack participation, they tend to have lower performance, less satisfaction, lower-esteem, more stress and other symptoms of tension and dissatisfaction.



Under participation, when employees want more participation than they have, they are “*participatively deprived*”. In the opposite situation when they have more participation than they want, they are “*participatively saturated*” and there is over participation. (Davis, 1981),

There is evidence that where is either under participation or over participation, people are less satisfied and less performance than those who participate to a degree of matches their needs.

The relationship between participation and performance between participation and performance shown that come closer to matching needs will increase the organizational performance. Participation is not something that should be applied equally to everyone rather it should match their needs.

2.3.1 The benefits of employee participation in organization.

Birungi (2006) notes that participation enhances positive response to change, the constantly changing in order to respond to general changes in the environment in which they operate. If individuals, who form an integral part of the organization, participate in the change process they will embrace without any resistance.

Improved motivation: employees feel more accepted and involved in the situation. They feel they “own” the organization through participating in goal setting and decision making process. (Davis, 1981).

Referring to the views expressed by Lock (1979) that employee participation increase higher output, typically brings higher output and a better quality output. The quality improvement and continuous assessment of employees worth the time invested in participation.

Whereas Yukl (1971) argued that employee participation enhances greater cooperation. The participation between employees and management in exchange for ideas and opinions, the higher level of togetherness.

Reduced stress: as making people aware of any changing decision taking place, employees feel acceptance about any responsibilities given to them in order to perform.

The condition makes the situation calm for employees, hence minimized high rate of occupational stress and tension. (Subba Rao, 2008).

Improved job satisfaction: due to the fact that employees are consulted before any decision taken, they feel being valued by management and as a result, have enhanced satisfaction on the job (Kaswathappa, 1999).

Promoted greater self-esteem: employees feel part and partial to organization decision making process. This stimulates the sense of belonging and confident in taking any direction.

Increased more suggestions: employees often make suggestions for both quality and quantity improvement. Although not all ideas are useful, there enough valuable ones to produce genuine long-run improvements and this result into higher performance. (Lewin, 1938).

Considering Davis (1931): Buirungi (2006) supported that, employee participation opened up better communication as people mutually discuss their work problems through the possibility of union-management committees, there are higher chances of employees solved their problems

thereby securing reasons for employees to retain at work. Anthony (1978) agreed that, it minimizes employee turnover

2.3.2 Limitations of participation in the organizations

According to Marchington (1995) “*the demand of employees to participate is not a passing fancy*”. Difficulties usually presented by those who argue against increased participation levels of employees.

Knowledge: managers argue that they have argued managerial skills through training, education and experience while workers are considered to have insufficient knowledge of managerial procedures.

Beach (1965) noted that the complex technological changes today are difficult for employees to participate successfully if they go very far beyond their specialties. This means that lower-level workers can participate successfully in operating matters but they usually have difficulty in policy matters. Whereas McGregor (1967) argued that difficulty in adjusting participation tends to threaten their traditional authority. As employees assume more responsibility and autonomy, there is a blurring of the distinction between the supervisor’s work and employees’ work.

The case with scientific management is that practitioners become lost in the procedures of participation while overlooking its philosophy.

The substance of participation does not automatically flow its procedures to develop in the minds of employees (Taylor, 1915).

According to Davis’ view (1981) of ownership, managers argued that employees do not own the industries and therefore their right not to participate but to implement what decided by managers. This is no evidence that participation is desired by everybody.

Secrecy: some of the managerial information is considered to be confidential and therefore should not be shared with employees. It can be used to manipulate employees. This manipulation is not necessarily by management. (Subba Rao, 2008).

2.4 The best ways on how to improve employee participation in the organizations

The following will be prerequisites for the successful functioning of employee participation management in the organizations.

There must be time to participate before action is required. Participation is hardly appropriate in emergency situations. (Anthony, 1978), there the management should give employees appropriate time.

The potential benefits of participation should be greater than its costs. For example employees cannot spend so much time in participating than they ignore their work. (Davis, 1981).

The participants should have the ability such as intelligence and knowledge to participate. It is hardly advisable. For example, to ask an employee in manufacturing section to participate in marketing section deserves research priority, but they might participate in helping resolve other problems related to their work (Kaswathappa, 1999).

The employees and managers must be able mutually to communicate effectively. (Beach, 1965), able to talk common language, in order to be able to exchange ideas (Davis, 1981). There should be progressive management and should recognize its obligations and responsibilities towards employees and trade unions. Leaders feel that if they participate in helping management decide courses of action, the union's ability to challenge those actions neither party should feel that it is possible is threatened by participation. If managers feel that their authority is threatened, they will refuse participation or will be defensive. (Anthony, 1978). Participation for deciding a course of action can take place only within the group's area of job freedom. (Davis, 1981).

The researcher identified knowledge gap in the following areas poor motivation system, poor performance, poor policies often made a difficult practice and fail if poorly applied. The researchers analyzed that participation is an important contributor to organizational performance. The lesson learnt that potential participation builds teamwork and when participation is well done, two of its best results are acceptance of change that encourages better performance that can exist in Mukwano Industries Limited in Uganda.

CHAPTER THREE

METHODOLOGY

3.0. Introduction

This chapter will present the research design and data collection methods and instruments that were used during research. It was also justifying the study population, sample size, techniques and the procedures of data collection and analysis.

3.1 Research design

The researcher used a case study research design. The input was focus on Mukwano industries limited on which detailed analytical explanatory, qualitative as well as qualitative research was conducted. The research was all about the relationship between employee participation and organizational performance. It was designed to be qualitative and quantitative both numerical and non numerical data used.

3.2 Study population

The population comprise of all those potential respondents that could make up the study effective and contribute to the researcher getting more information on the relationship between employee participation and performance. The total population was 200 in five (5) departments of Mukwano industries limited.

The table below shows how the sample will be distributed among the different categories

3.2.1 Sample size

Departments	Population	Sample size
Human resource	20	14
Production	70	52
Marketing	30	24
Finance	42	22
Logistic	38	20
Total	200	132

Source: Martin Amin (2005)

3.2.2 Sampling techniques and procedure

The research used both probability and non probability sampling techniques. Stratified sampling was used to come up with a representative sample. According to Amin (2005) tables have been developed which the researcher can obtain a sample size which was appropriate for the target population the researcher intends to carry out his research. In this case therefore the population was 200 and the sample size carried on will be 132 respondents.

3.3 Data collection

The data that was used for the purpose of the study comprised of both primary and secondary data.

The information was obtained directly from the employees and management records. Questionnaires and interviews were used for the relationship between employee participation and organizational performance.

This was collected from already available data literature. Relevant document and records were used like News papers, magazines and other internal records.

Secondary data was used to supplement the primary data in attempt to answer the research

3.3.1 Data collection methods and instruments

3.3.1.1 Questionnaire

These were used with top management and its employees.

The questionnaire contained both open ended and close ended questions. The researcher used a questionnaire because it helps in collecting a large amount of data within a very period of time and was the most appropriate for majority respondents.

3.3.1.2 Interviews

There were used in line with interview guide to enable the researcher obtain the supplementary information necessary to reach the conclusions. It was believed that by using the interviews, the researcher would be in position to get detailed data on all dimensions concerning employee participation.

3.3.1.3 Observation

This was carried out by the use of an observation checklist to enable the researcher to obtain primary data which could be observed easily and to neither require the use of questionnaire nor interviews. Others include pencils, papers and pens.

3.4 Data processing and analysis

Data obtained was edited, coded, retrieved and arranged and there by analyzed by using percentage and ratio. The data was analyzed according to objectives in such a way that each objective was analyzed separately using descriptive statistics and tabulated by using graphs and tables.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

4.0 Introduction

This chapter presents the presentation of data, analysis, and interpretation. The presentation and analysis of the data was based on the objectives under study respectively. The objectives of the study were to determine the profile of the respondent in terms of gender, education level, experience and position to find out the employee participation and organizational performance in Mukwano Industries Limited. Below are the data presentations and analysis of research findings.

4.1 Presentation, analysis and interpretation of results are done under the following themes.

4.1.1 Forms of employee participation

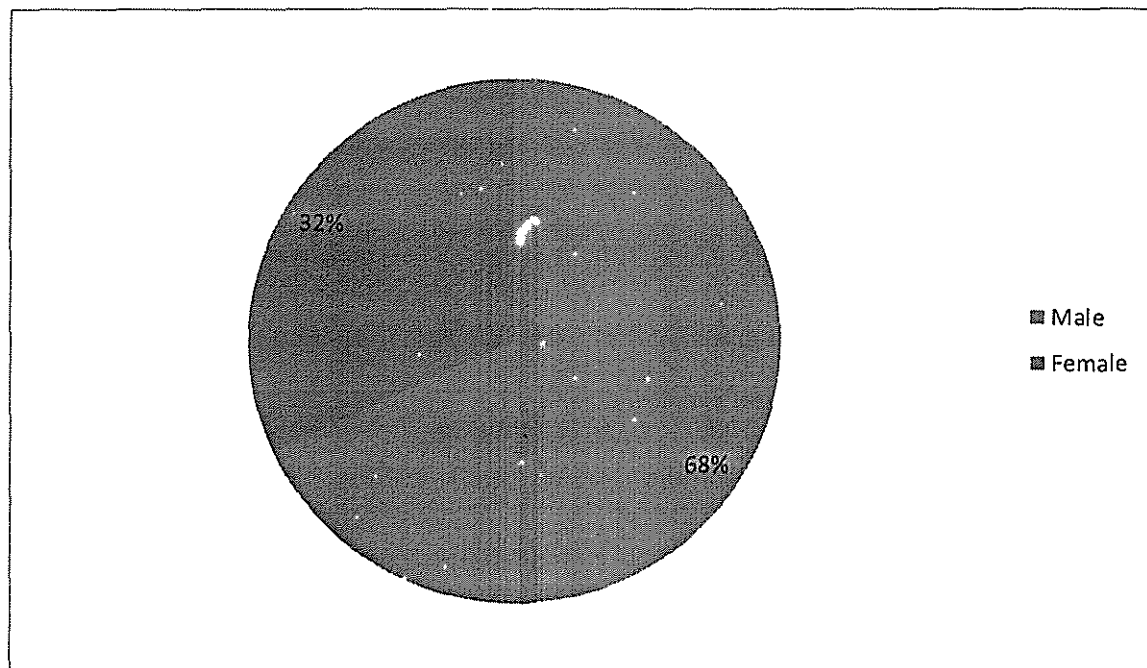
This part presents the background information of the respondents who participated in the study both managers and employees. The purpose of this background information was to find out the forms of employee participation to show the distribution of the population in the study. The first objective of this study was to determine the forms of employees participation in terms of gender, level of education, experience and position to view what category the majority of the employees are in, and its shown the below shown table.

Table 1: Employees' participation forms

Profile of the employees		
Gender	Frequency	Percentage (%)
Male	85	68
Female	40	32
Total	125	100.00
Academic qualification		
Secondary certificate	30	24
Bachelor degree	85	68
Master degree	9	7.2
PHD	1	0.8
Total	125	100
Experience		
1-2 years	30	25.0
3-4 years	20	16.7
5-6 years	60	50.0
7-8 years	10	8.3
Total	120	100

Source: Primary data 2010

Figure 1: A Pie Chart Showing the Percentage Gender of the Respondents



Source: Primary data 2010

In the table 4.1, 68% respondents were male. This shows that majority of the respondents were male and 32% respondents were female in sex. This shows how male dominates the work place of Mukwano industries limited, Uganda.

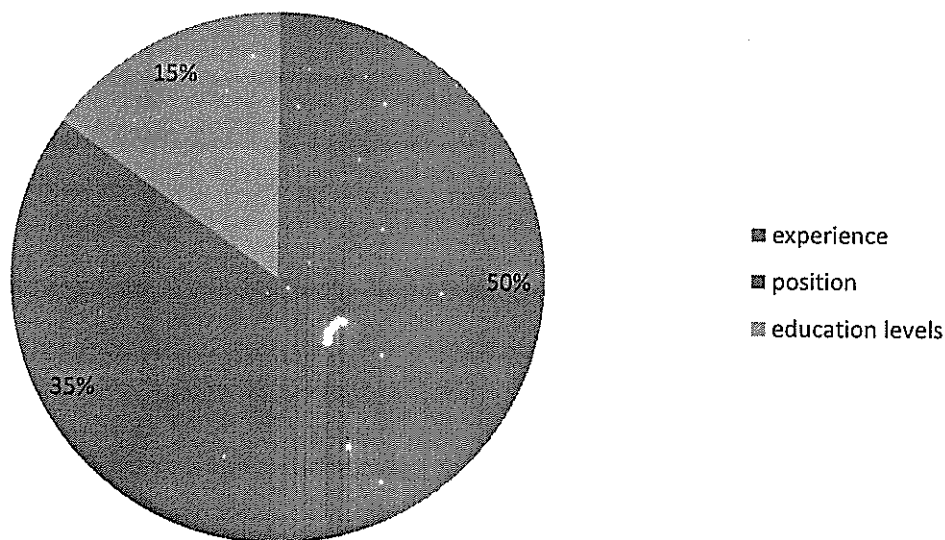
In the table 4.1, indicates that the majority of the employees were Bachelor degree holders that makes up 68% of the respondents, second group of the respondents were secondary certificate holders which represents 24% of the respondents, third group of the respondents were Master degree holders which represents 7.2% of the respondents, and lastly 0.8% of the respondents was PhD holder. According to the respondents from the managers 57% of the managers (8 managers out of the 14 managers under study) were bachelor degree holder and 36% of the managers (5 managers out of the study) were master degree and 0.5% of the manager (1 manager out of the study) is PhD holder. This means that employees of Mukwano industries are well-informed people who can understand the work they are doing and have the necessary skills to perform their job.

According to the table 4.1, 50.0% of the respondents were within the experience bracket (5-6 years), 25.0% of the respondents were within the experience bracket (3-4 years), 25.0% of the respondents were within the experience bracket (1-2 years), and 8.3% of the respondents were in between the experience bracket (7-8 years).

Respondents from the managers shows that 64% of the managers, (9 managers out of the 14 managers under study) stayed with the company 5-6 years, 21% of the managers, (3 managers out of the 14 managers under study) and 15% of the managers,(2 out of the managers under study). This shows that managers have experience with their job because they have stayed with the company for longer; this shows that the retention level of the company is high.

Data analysis on the participation requirements would respondents like to be considered

Figure 2: The Pie Chart showing requirements of participation respondents would like to be considered



Source; Primary data

When employees and employers were asked which requirements they would like to be used in participation of organization decision making, they pick, three requirements. These are experience 50%, position 35% and education level 15%.

Table 2: Whether respondents believe in participation forms

category	frequency	Percentage %
Downward communication	30	25.8
Upward communication	25	21.5
Task participation	35	30.1
Financial participation	8	6.8
consultative	15	12.9
Total	116	100

Source; Primary data

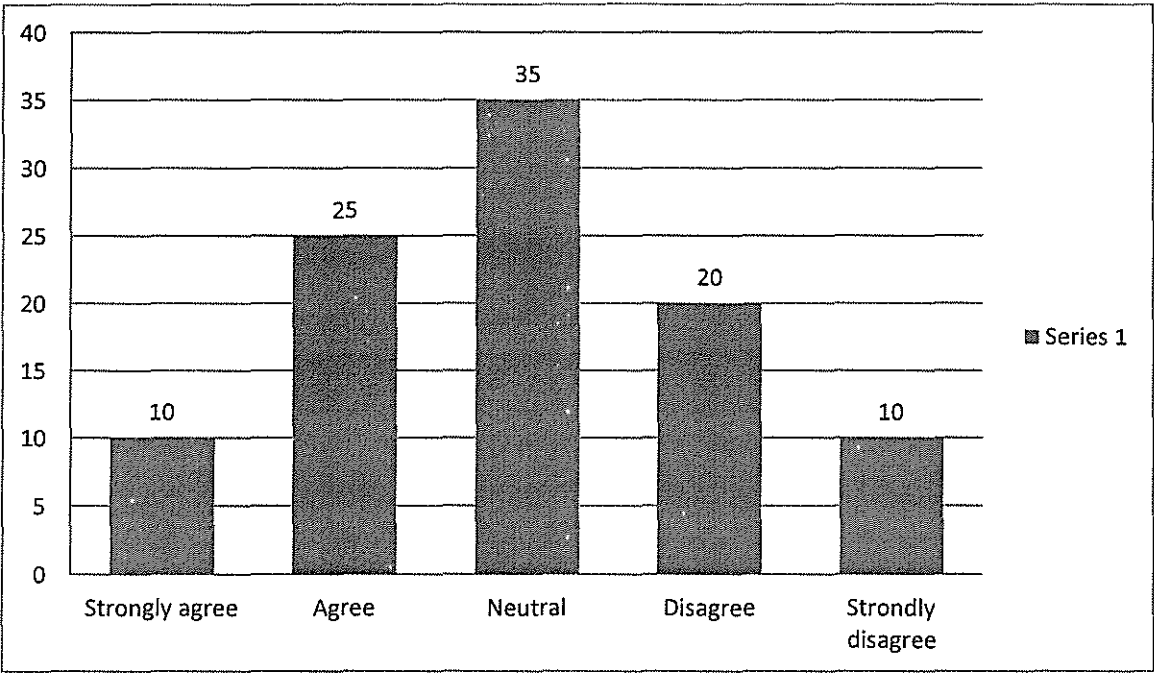
From table (2) above, there are a number of views in the categories of participation and performance. However 30.1% of task participation; 25.8% of downward communication and 21.5% upward communication were revealed by high percentage of correspondents as the major factors that affect organizational performance.

From the above views it can be understood that ensuring a constant high motivation, satisfaction, positive response and high performance, there should be employee participation in the organization. 12.9 % of consultative and 6.8% of financial participation is also appropriate depending on the situation.

The researcher was particularly interested whether employees accept all forms of participation with management in the decision making.

When employees were asked whether they accepted in all forms participation, the researcher revealed that 10% strongly agreed, 25% Agreed, 35% Neutral and 20% Disagree and 10% strongly disagree

Figure 3: Whether employees accepted in all forms participation



Source; Primary data

4.1.2 The relationship between Employee participation and performance.

This objective was derived from the second objective of the study which was to determine the relationship between employees’ participation and performance of Mukwano industries, the researcher asked the managers the level of participation of employees in Mukwano because they are aware of the performance level of the company, the managers who were asked the employees participation level were selected for their knowledge of the objective under study. The results are presented in the following table.

Table 3: level of employee participation and performance

Areas Rated	Mean	Interpretation
Employees participation		
1. The company recognizes employees' presence in the organization	3.35	Very high
2. The company knows why employees stay or leave and what keeps them engaged	3.14	High
3. The rate of turnover in your company is lower than the average in the industry	3.08	High
4. The participation rate has been improving the last two years.	3.35	Very high
5. The satisfaction of employee increases after you deliver them their compensation and engaged.	3.35	Very high
6. Employees are satisfied and motivated with their current job.	3.09	High
7. Employees are optimistic about their future stay with the company.	3.2	High
8. The company cares about its people	3.06	High
Over all mean of employee participation Level	3.20	High

Source: Primary data 2010.

The above table 4.2 shows that the employees' participation level of Mukwano is high and significant. As shown in the above table the rate of turnover of Mukwano is lower than the average level in the industries and the participation rate has been improving the last two years, managers of Mukwano agreed that they are aware of the advantages of employees in the organization.

Managers of Mukwano industries agreed that employees are optimistic with their future stay with the company, and also managers of the company stated that the company cares for its people and employees are satisfied motivated with their current job. This indicates that the employees' participation level of the company is high; there is higher performance outcome such as satisfaction, positive response and matching needs when compared with its rival of the same industry.

4.1.3 Determine the ways on how employee's participation can be improved

This objective was derived from the third objective of the study which was to determine the ways on how employee's participation can be improved in Mukwano industries. In order to get this objective, the researcher asked a number of questions by the respondents both managers and employees to provide answers to research objective three. The results are presented in the following table.

Table 4: Respondents views to improve employee participation

Areas Rated	Mean	Interpretation
Ways in which participation can be successful.	3.25	Very high
1. Your company gives commissions, and piece work pay plans.	3.28	Very high
2. Your company gives its obligation and responsibilities towards employees unions.	3.7	Very high
3. The company has a performance-centric culture that pays only for the performance of the employees.	3.07	High
4. Pay- for- performance increases the employee's participation and motivation.	3.35	Very high
5. Keeping the employee mainly depends upon the kind of participation you offer them.	2.85	High
Performance-based pay (Employees)	3.16	High
1. Your employer gives you commissions, and piece work pay plans.	3.3	Very high
2. Your company also gives you incentive plans.	3.5	Very high
3. Salaries and bonuses you earn are directly related to the performance you do.	3.1	High
4. The total compensation you receive is based upon the performance you do.	2.8	High
5. Performance based reward is the only means that you can be motivated to stay with the company.	3.1	High
Over all mean of performance-based pay	3.2	High

Source: Primary Data 2010

As shown the above table 4.3, employees are given performance-based pay; employees agreed that the company gives those commissions, piece work pay plans, incentive plans, and salary bonus. On the other hand managers of Mukwano agree that Pay- for performance increase the participation level of employees. This indicates that the company pays their employees based on their performance. Employees of Mukwano receive commission, and incentive plan.

Table 5: Performance-based pay and employee participation

		Performance- based pay	Employment participation
Performance- based pay	Pearson Correlation		.794**
	Sig. (2-tailed)		.003
	N	86	10
Employee participation	Pearson Correlation	.794**	1
	Sig. (2-tailed)	.002	
	N	86	10

Source: primary Data 2010

As the table 4.4 shows, the computed N value is .794** and according to Pearson's correlation coefficient, the relationship between performance-based pay and employee participation in Mukwano is strong with the value of .794**. This means that there is strong positive correlation between these two variables. The r-value is computed a data from table 4.2 and 4.3, which shows that employees are paid for their performance and this pay for performance, has a relationship with the employees participation and performance in Mukwano.

CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter discusses the findings, conclusion and recommendation of this study. Firstly, it was discussed the major finding of each study as stated in the research objectives. Secondly, the conclusion was drawn from the findings of the study. Lastly, the researcher brought recommendation to the managers of Mukwano.

5.1 Summary of objective one: forms of employee's participation

The study focused on the forms of employees' participation in Mukwano. The research objectives of the study were related to determine their participation and find out the level of performance in Mukwano industries, to determine the relationship between performance-based pay and employees' participation of Mukwano.

The study illustrated that most of the employees are bachelor degree holders, the second largest group have secondary certificate and there is also employees who have master degree, this shows that employees have degree which they can work with and can be utilized to the company.

And lastly the study showed that majority of the respondents stayed with company for 5-6 years and the second largest group stayed with company for 3-4 years and this shows that employee stayed with the company for a long time and this shows that the retention level of the employee is high and participation level is also high

5.2 Objective two: The relationship between Employee participation and performance in Mukwano

The findings revealed that the level of performance of Mukwano has been improving for the last two years which this study focused on, and the study showed us that employees are satisfied with their current job and also showed that employees are optimistic with their future stay with the company.

The findings showed that the overall mean of the participation level was high, and most of the respondents agreed that performance level of the company was also high and that the compensation they receive has impact on the performance. In this study employee

participation is a system of communication and consultation either formal or informal by which employees of an organization are kept informed about the affairs of the undertaking and through which they express their opinions and contribute to the management decisions.

Employee participation is beneficial for the organization as well as the employees, and this shows that employees of Mukwano are satisfied to stay with the company and this will benefit both Mukwano and its staff.

And this is in line with Allen and Helms (2001), which says that compensation system practiced by organizations plays an important role in motivating employees to stay.

Organization's compensation system ultimately affects by employee performance. It is also considered that improper participation practices may result to negative response to change and dissatisfaction. Most agree that reward practices act as motivators that shape the employees behaviors. According to prior researches, it is commonly believed that if participation is effectively used, employees are motivated to be with the organization.

5.3 Objective three: Determine the ways on how employee participation can be improved.

The findings discovered that the employee participation can be successful. The findings indicated the employee participation is strongly positive. As shown in the analysis most of employees participation agreed is the only means that they can be motivated to stay with the company. If the level participation increases in Mukwano, the level of performance would increase if other things being held constant.

Most of the respondents agreed that the participation has a great impact on the performance level of Mukwano in the specific period of time which the scope of the study covers. The researcher found that the company pays commissions, incentive plans, and piece work pay plan to its employees and this caused to employees to stay longer. These findings are in line with (Lewin, 1939), who noted that Participation plans attract and retain top performance. Successful employees' participation will attract and retain highly qualified applicants, who will view the plan as offering excellent opportunities for financial rewards.

5.4 Conclusions

The study concluded that there are a number of factors leading to effective participation at Mukwano Industries Limited, Uganda. The ability of employees' opportunity to participate in their own goal settings ensures high performance in the organization since there is high job satisfaction, self esteem, positive response to change and motivation.

Through observation, interview and questionnaires, there are still a number of challenges need to be addressed at all levels of the organizations in Uganda, Africa at large especially if it comes about employees' rights in decision making and communication means between employees ,trade unions and employers

5.5 Recommendations

Firstly as shown in the study the employees' participation level of Mukwano was high, so Mukwano managers should maintain keeping their employees and should be aware of the advantage participation and should devote time for retaining employees with the company and they should keep the commitment of the employees. Therefore Mukwano should bring policy and strategies which will keep the company staff longer with the company such as participation strategy.

Secondly, as revealed in the study there is positive relationship between employees' participation and organization performance of Mukwano with the value of 0.79, so Mukwano managers should employ methods which they can keep this relationship. Mukwano managers should continue with employees' participation and improve on performance because this participation strategy shows that every employee will get what he or she works and there would be equity.

The Researcher suggested that further research should be done in the following areas:

Welfare services and Employees' Retention, Job satisfaction and employees' performance, Leadership style and employees' retention in Mukwano industries limited.

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APPENDIX A:
QUESTIONNAIRE FOR EMPLOYERS AND EMPLOYEES

Dear Respondent,

I am a student of Bachelors Degree in Human Resource Management at Kampala International University. I am carrying out research on the relationship between employee participation and organizational performance in Mukwano industries limited, Uganda. Please feel free to answer all questions put to you in this questionnaire.

The information is purely for academic purposely and confidentiality was fully guaranteed. I thank you in advance for having accepted to participate in this research.

Level of education

Primary	<input type="checkbox"/>
Secondary	<input type="checkbox"/>
Diploma	<input type="checkbox"/>
Degree	<input type="checkbox"/>
Others	<input type="checkbox"/>

Level of experience

1-2 years	<input type="checkbox"/>
3-4 years	<input type="checkbox"/>
5-6 years	<input type="checkbox"/>
7-8 years	<input type="checkbox"/>

SECTION A (ABOUT FORMS OF EMPLOYEE PARTICIPATION)

1. Which level do you prefer to participate in organizational decision making?

Very high ☐ High ☐ Average ☐ Low ☐ No ☐

2. There is equal opportunity to practice in all forms of employee participation in the organization.

Strongly agree ☐

Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

3. There many participation programs for you to express your opinions and ideas towards organization.

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

4. How is it possible for participation to increase the power and influence of both manager and employee?

.....

.....

.....

SECTION B (ABOUT RELATION BETWEEN PARTICIPATION AND PERFORMANCE)

1. Do you think employees' autonomy is the source of increased performance?

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2. Employee participation can reduce the rate of turnover in the organization.

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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3. There relationship between employee compensation and job satisfaction.

Yes

No

4. The rate of employee participation has been improved in the last two years.

Strongly agree

Agree

Neutral

Disagree

Strongly disagree

5. The following factors contributes to increased performance in this organization

Team work

Effective communication

Compensation

Transparency

Yes

No

6. The management always agreed that they aware of the advantages of employees in the organization.

Strongly agree

Agree

Neutral

Disagree

Strongly disagree

SECTION C (WAYS OF IMPLOVING EMPLOYEE PARTICIPATION)

1. There must be enough time given to employees by the management before action taken.

Yes

No

2. Keeping an employee mainly depends upon the kind of participation and motivation.

Strongly agree	<input type="text"/>
Agree	<input type="text"/>
Neutral	<input type="text"/>
Disagree	<input type="text"/>
Strongly agree	<input type="text"/>

3. The potential benefits of participation should be greater than its costs.

Strongly agree	<input type="text"/>
Agree	<input type="text"/>
Neutral	<input type="text"/>
Disagree	<input type="text"/>
Strongly disagree	<input type="text"/>

4. To participate in decision making must be considered due to the respective departments.

Strongly agree	
Agree	
Neutral	<input type="text"/>
Disagree	<input type="text"/>
Strongly disagree	<input type="text"/>

5. The management should recognize every obligation and responsibilities of union representatives.

Very high	<input type="text"/>
High	<input type="text"/>
Minimal	<input type="text"/>
Low	<input type="text"/>
Very low	<input type="text"/>

6. The financial reward is mainly a major actor to improve organizational performance.

Thanks for your cooperation

APPENDIX B:
INTERVIEW GUIDE FOR EMPLOYERS AND EMPLOYEES

1. What is your sex?

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2. What is your level of education?

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3. Which position do you occupy in the department?

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4. How long have you worked for this organization?

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5. What forms of communication does the company use?

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6. Which forms of suggestion programs make you comfortable this organization?

.....

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7. What is your view about participation and performance?

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8. What hinders effective participation in this organization?

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.....

9. Are you satisfied with influence of management decisions?

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.....

10. What would be the best way of improving employee participation?

.....
.....
.....

APPENDIX C:
BUDGET FOR THE STUDY

ITEM	QUANTITY	UNIT COST	AMOUNT
Stationary			
Transport	20 times	1600	70000
Communication Airtime			32000
Lunch	20 times	2000	40000
Typing, Photocopying and Binding			80200
Research assistance		50000	50000
Miscellaneous		50000	50000
GRAND TOTAL			337200