

## EMPLOYEE PARTICIPATION AND ORGANIZATIONAL PERFORMANCE: A STUDY OF NESTLE NIGERIA PLC

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### Abstract

Employee participation is increasingly recognized as an important managerial strategy for improving organizational performance, particularly in manufacturing firms operating in emerging economies. This study examined the relationship between employee participation and organizational performance in Nestlé Nigeria Plc. Specifically, it investigated how different forms of participation influence productivity, employee commitment, and the barriers that hinder effective participation. A correlational survey research design was adopted. Data were collected using a structured questionnaire administered to 346 employees selected through stratified random sampling. The instrument demonstrated good internal consistency with Cronbach's alpha values above 0.70 across all constructs. Data were analyzed using descriptive statistics, Pearson correlation, and multiple regression analysis. The findings showed a significant positive relationship between employee participation and organizational performance ( $r = 0.624$ ,  $p < 0.001$ ). Employee participation explained 38.9% of the variance in organizational performance ( $R^2 = 0.389$ ,  $F(4,341) = 54.27$ ,  $p < 0.001$ ). Direct participation was the strongest predictor ( $\beta = 0.342$ ), followed by consultative ( $\beta = 0.287$ ), delegative ( $\beta = 0.206$ ), and indirect participation ( $\beta = 0.118$ ). Employee participation also significantly influenced employee commitment ( $\beta = 0.451$ ,  $p < 0.001$ ). Key barriers included inadequate communication channels, limited management commitment, and insufficient training. The study highlights the importance of participative management in enhancing organizational performance. Strengthening direct employee involvement, improving communication systems, and providing management training on participative leadership can help organizations maximize the benefits of employee participation.

**Keywords:** Employee participation, organizational performance, employee commitment, manufacturing sector, Nestlé Nigeria, participative decision-making

### Introduction

An organization's workforce capability and its effective direction toward achieving organizational goals are among the most crucial determinants of business success or failure. It is widely accepted that organizational performance fundamentally depends on the efficient utilization of human resources, which possess the unique characteristic of being the only resource capable of generating output exceeding the input invested (Liu & Tong, 2022; Matsuo, 2024). Every organization functions based on the strengths and limitations of its workforce, and even in fully automated environments, human input remains essential for designing, managing, and

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overseeing production systems. Recent research highlights that organizations able to leverage their employees' strengths gain competitive advantage over those that cannot, while companies viewing workers as replaceable machines never unlock their full capabilities, eventually attracting competition and potentially ceasing to exist unless management philosophies evolve (Matsuo, 2024). Employee participation refers to the method of empowering staff to engage in decision-making and improvement initiatives appropriate for their position within the organizational hierarchy (Amah & Ahiauzu, 2020). In today's rapidly changing business landscape, particularly within the manufacturing industry, firms face constant pressure to enhance productivity, raise quality standards, and remain competitive. Employee participation has been increasingly recognized as a strategy for addressing these challenges, involving workers in decisions, problem-solving, and activities that directly impact their performance and overall company success.

Over time, the practice of employee participation has shifted from rigid, top-down management approaches to more democratic and inclusive models, with research indicating that meaningful involvement leads to more committed, motivated, and innovative employees (Nwosu and Udu, 2021; Okoli, Bassey & Chukwu, 2023). Contemporary empirical studies demonstrate that organizational performance should not be understood solely in financial terms but must encompass operational efficiency, innovation, employee satisfaction, and customer loyalty. Involving employees in decisions improves outcome quality, fosters commitment, enhances creativity, and strengthens both financial and non-financial performance (Salami, 2023; Okoye, 2025). However, despite documented advantages, many manufacturing firms in Nigeria continue adopting top-down management approaches that limit employee input, raising concerns about underutilized workforce potential and implications for organizational performance (Iyke-Ofoedu, Uzochukwu and Adigwe, 2023; Adamu, Kolo and Kagara, 2025).

Nestlé Nigeria Plc, a subsidiary of Nestlé S.A. established in 1961, represents a prominent player in the Nigerian food and beverage industry, demonstrating consistent resilience and growth through its brand portfolio, distribution network, and commitment to quality and innovation (Nestlé Nigeria Plc Annual Report, 2024). With 2,565 employees across manufacturing sites, branch offices, and head office in Lagos, the company provides an ideal context for examining employee participation dynamics in a large multinational manufacturing firm operating in an emerging market. While Nestlé publicly emphasizes diversity, equity and inclusion, training and

development, and employee welfare as foundations for an inclusive workplace (Nestlé CWA, 2023), limited empirical evidence exists on how specific participation mechanisms influence performance outcomes within this context.

This study addresses the gap in empirical clarity regarding the relationship between employee participation and organizational performance in Nigerian manufacturing firms. Specifically, it examines how different forms of participation, including direct, consultative, delegative, and indirect involvement, affect key performance indicators such as productivity, quality, and innovation. The study is guided by four research objectives: identifying forms of employee participation practiced at Nestlé Nigeria Plc; assessing the influence of employee participation on organizational productivity; examining the extent to which employee participation influences employee commitment; and identifying barriers hindering effective employee participation. Corresponding hypotheses test whether significant differences exist in prevalence of participation forms, whether participation significantly influences productivity and commitment, and whether organizational challenges significantly hinder effective participation.

## **Theoretical Framework and Literature Review**

### **Theoretical Foundations**

This study draws primarily on two significant theoretical frameworks to explain the relationship between employee participation and organizational performance: Social Exchange Theory and Participative Decision-Making Theory. These theories provide a robust conceptual lens through which mechanisms linking employee involvement to better organizational outcomes can be understood. Social Exchange Theory, originally proposed by Blau (1964) and updated by Cropanzano *et al.* (2023), posits that relationships are built on reciprocity. When organizations provide employees with opportunities to participate in decisions, employees perceive organizational support and fairness, which motivates them to reciprocate with higher levels of commitment, loyalty, and discretionary effort. This reciprocal dynamic creates a positive spiral wherein employee contributions increase in response to organizational investment in participative practices. The theory explains why participation generates affective outcomes such as organizational commitment and citizenship behaviors, as employees feel obligated to respond favorably to favorable treatment (Zhou *et al.*, 2024).

Participative Decision-Making Theory suggests that involving employees in organizational decisions improves motivation, morale, and performance because employees feel valued and respected (Locke & Schweiger, 1979; Wagner, 1994; Lee & Kim, 2025). The theory identifies cognitive benefits wherein employees possess unique tacit knowledge about their jobs, processes, and customer needs that managers may lack, and involving them taps into this distributed intelligence, leading to more comprehensive information and higher-quality decisions. Motivational benefits arise when employees involved in shaping decisions feel ownership and control, increasing commitment to implementing those decisions and producing higher motivation, morale, and reduced resistance to change. The theory further emphasizes that decisions made participatively are generally better understood and more readily accepted by implementers, reducing need for constant monitoring and leading to smoother execution. Together, these theories provide complementary explanations for how employee participation fosters positive organizational outcomes. Social Exchange Theory explains the relational mechanism through which participation generates reciprocal commitment, while Participative Decision-Making Theory explains the cognitive and motivational mechanisms through which participation improves decision quality and implementation effectiveness. For a manufacturing entity like Nestlé Nigeria Plc, these theories are particularly relevant given the production-focused environment where employee involvement in quality improvement teams, process optimization initiatives, safety committees, and cross-functional projects aligns with providing opportunities for achievement, responsibility, and growth.

### **Conceptualizing Employee Participation**

Employee participation, often described as employee involvement, employee voice, or participative decision-making, refers to formal and informal mechanisms through which employees contribute to decisions influencing their work and the wider organization. Contemporary studies emphasize that participation extends beyond passive information provision to actively seeking employees' views, integrating their input into problem-solving, and involving them in management processes as an interactive, two-way process enhancing both organizational effectiveness and employee outcomes (Turner & Madera, 2023; Alkhodary & Nassar, 2024). Scholars categorize participation along several dimensions. Scope ranges from individual-level suggestion schemes to collective forms such as team consultations or representative committees.

Depth distinguishes consultative participation, where management retains decision-making power, from collaborative participation, where employees share authority in decision outcomes.

Mode differentiates between informal channels like open discussions and formal structures such as digital platforms, councils, or structured workshops (Kraiczky & Hack, 2023). These variations serve diverse purposes including fostering innovation, building employee commitment, and enabling smoother change implementation. Four primary forms of participation are identified in the literature. Direct participation involves individual employees or groups directly in decision-making through team meetings, suggestion schemes, quality circles, or self-managed teams. Indirect participation involves employee representatives through trade unions or works councils in formal consultative or co-determination bodies, providing voice channels at strategic levels. Financial participation involves employees sharing in profits or ownership through profit-sharing schemes or employee stock ownership plans, aligning financial interests with organizational success. Consultative participation involves management seeking employee opinions before making decisions while retaining final authority, while delegative participation gives employees authority to make decisions within defined parameters.

### **Employee Participation and Organizational Outcomes**

A robust body of literature highlights numerous benefits of employee participation for organizational performance. Improved decision-making quality represents a primary benefit, as employees often possess valuable insights into day-to-day operations, customer needs, and potential problems, and involving them provides broader perspectives leading to more informed, creative, and effective solutions (Denison, 1990). Increased productivity and efficiency occur when employees feel ownership and are more motivated, engaged, and willing to exert discretionary effort, translating into higher productivity, reduced errors, and improved operational efficiency (Gallup, 2025; Questback, 2022). Participative working environments have demonstrated substantial effects on workers' productivity (Miller & Mange, 1986). Enhanced innovation and creativity emerge when participation encourages employees to brainstorm, share ideas, and experiment with new approaches, fostering a culture of continuous improvement where diverse teams outperform less diverse rivals financially. Higher employee morale and job satisfaction result from feeling valued, respected, and having voice in decisions (Questback, 2022).

Reduced absenteeism and turnover follow from engaged and satisfied employees being less likely to be absent and more likely to remain, with companies having highly engaged teams experiencing significantly less turnover (Gallup, 2025). Improved communication and trust develop through participative management practices that improve open dialogue and enhance information flow throughout organizations, with management inviting employee contributions signaling respect and fostering psychological safety, trust, and better collaboration (Kahn, 2020). Greater acceptance of change occurs when employees involved in discussions about organizational changes better understand rationale, voice concerns, and ultimately accept and commit to changes, reducing resistance (Lono, 2017). Cost savings emerge through employee involvement in problem-solving and process improvement, as employees with deep operational understanding provide practical and cost-effective insights (Arthur, 1994; Spreitzer & Mishra, 1999).

### **Challenges in Implementing Employee Participation**

Despite recognized benefits, organizations face significant challenges in effectively implementing employee participation initiatives. Lack of management commitment and trust represents a primary barrier when management views participation as mere formality or lacks genuine trust in employees' abilities, leading initiatives to fail and requiring managers willing to delegate authority and embrace less hierarchical approaches (Training Magazine, 2025). Poor communication and transparency impede effectiveness when employees feel left in the dark about company decisions or their feedback goes unacknowledged, causing engagement to suffer (Lumapps, 2025). Employee resistance and lack of skills emerge when employees hesitate to participate due to fear of reprisal, lack of confidence, or insufficient skills in problem-solving or decision-making, requiring training and reassurance.

Cultural barriers arise when traditionally hierarchical, autocratic, or risk-averse organizational cultures struggle to adapt to more participative styles, requiring mindset shifts. Tokenism and perceived inauthenticity occur when participation is seen as superficial exercise rather than genuine attempt to involve employees, leading to cynicism and resentment potentially doing more harm than good. Time and resource constraints challenge organizations implementing participative processes that can be time-consuming and require dedicated resources for training, meetings, and follow-up. Ensuring equitable voice proves crucial to ensure all employee voices,

especially from underrepresented groups, are heard fairly and equally, as otherwise participation can inadvertently reinforce existing power imbalances (Távora *et al.*, 2026).

### **Empirical Evidence**

Numerous empirical studies across diverse industries, geographical regions, and organizational sizes have largely supported the positive relationship between various forms of employee participation and different measures of organizational performance. Arthur (1994), using data from 30 steel minimills, found that high-performance work systems including significant employee participation and empowerment were strongly associated with higher productivity and lower turnover rates. MacDuffie (1995), examining assembly plants in the auto industry, showed that teams with high levels of employee involvement in problem-solving and work design achieved significantly higher quality and productivity compared to those with traditional hierarchical structures. Research on quality circles consistently reports improvements in product quality, waste reduction, and increased efficiency in manufacturing settings (Drago, 1988). Delery & Doty (1996), in a study of banks, found that specific human resource management practices including employee participation programs were positively related to financial performance measures such as return on assets. Huselid (1995) demonstrated that companies employing high-performance work systems including extensive employee participation had significantly higher market value, productivity, and profitability. Guthrie (2001) provided evidence that companies with better employee retention rates, often a byproduct of high participation and engagement, experienced superior financial returns. More recent evidence from Nigerian contexts supports these findings. Okoli, Basse and Chukwu (2023) found that employee involvement in decisions significantly predicted organizational performance in manufacturing firms in South-East Nigeria. Salami (2023) demonstrated that participative decision-making positively influenced employee commitment and productivity in Lagos-based manufacturing companies. Akinola and Ogundele (2024) reported that employee participation mediated the relationship between leadership style and organizational citizenship behavior in Nigerian food and beverage firms.

### **Research Gap and Conceptual Framework**

Despite extensive empirical evidence, certain gaps remain regarding specific large multinational corporations operating in diverse emerging markets like Nigeria. While general

trends are clear, precise mechanisms through which different participation forms translate into specific performance metrics require localized investigation. Most large-scale studies aggregate data across many firms, potentially obscuring unique dynamics within particular companies considering specific organizational culture, leadership style, and local socio-economic environment. Limited publicly available empirical studies explicitly detail direct causal links between Nestlé Nigeria's specific employee participation initiatives and quantified performance outcomes. Based on the reviewed literature, employee participation is conceptualized as the independent variable influencing organizational outcomes including productivity, efficiency, innovation, employee satisfaction, and commitment. Mediating and moderating factors such as leadership style, trust, organizational culture, and communication practices are considered in explaining these relationships. Figure 1 presents the conceptual framework guiding this investigation, illustrating hypothesized relationships between participation forms and performance dimensions.

**Figure 1. Conceptual Framework: Employee Participation and Organizational Performance**

<b>Independent Variable</b>	<b>Mediating/Moderating Factors</b>	<b>Dependent Variables</b>
Employee Participation	Leadership Style	Organizational Performance
Direct Participation	Trust	Productivity
Consultative Participation	Organizational Culture	Efficiency
Delegative Participation	Communication Practices	Innovation
Indirect Participation	Perceived Organizational Support	Quality
		Employee Commitment
		Affective Commitment
		Continuance Commitment
		Normative Commitment

**Method**

**Research Design**

This study adopted a correlational survey research design, which is appropriate for systematically examining the relationships between employee participation and organizational performance. The design enabled efficient data collection from a large respondent sample while facilitating measurement of perceptions, attitudes, and opinions central to research objectives. A survey design was particularly suitable for collecting data from numerous respondents across a large organization like Nestlé Nigeria Plc, measuring multiple variables and examining

relationships between them, efficiently gathering primary data from geographically dispersed employees within a large organization, and enabling generalization of findings to the larger population when sampling methods are robust.

### **Population and Sampling**

The study population comprised all employees of Nestlé Nigeria Plc, totaling 2,565 employees as of December 31, 2024 (Stock Analysis, 2025), representing the entire workforce across all locations and departments including manufacturing sites, branch offices, and head office in Lagos. Sample size determination employed the Yamane (1967) formula:  $n = N / (1 + N(e)^2)$ , where  $N$  = population size (2,565) and  $e$  = level of precision set at 0.05 for 95% confidence level. Calculation yielded  $n = 2,565 / (1 + 2,565(0.05)^2) = 2,565 / (1 + 6.4125) = 2,565 / 7.4125 = 346.03$ , therefore 346 employees were targeted. To ensure representative sampling and minimize bias, stratified random sampling was utilized followed by simple random sampling within each stratum. Given Nestlé Nigeria's diverse departments including Production, Marketing, Sales, Human Resources, Finance, and Research and Development, the employee population was stratified based on departments to ensure proportional representation from each segment, preventing under-representation of any significant group. Within each identified stratum, employees were selected using simple random sampling by randomly selecting individuals from departmental employee lists, ensuring every employee had equal selection chance and enhancing generalizability.

### **Research Instrument**

Data were collected using a structured questionnaire titled “Employee Participation and organizational Performance Questionnaire (EPOPQ), divided into three sections. Section A captured demographic information including age, gender, educational qualification, length of service, and department. Section B measured employee participation dimensions comprising direct participation (involvement in quality circles, team meetings, suggestion schemes, work task decisions), consultative participation (opportunities to provide input on policy changes, problem-solving discussions), delegative participation (autonomy in job execution, decision-making authority), and indirect participation (perceived effectiveness of union or representative bodies). Section C assessed perceived organizational performance across operational dimensions including productivity, efficiency, product quality, waste reduction, and innovation, and human resource dimensions including employee morale, retention, absenteeism, job satisfaction, and employee

development. All perceptual items employed five-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree) for participation items, and 1 (very low/poor) to 5 (very high/excellent) for performance items. Items were adapted from existing validated scales and modified for Nestlé Nigeria's context.

### **Validity and Reliability**

Content validity was ensured by drawing questionnaire items from existing literature and validated scales on employee participation and organizational performance, and subjecting the instrument to review by experts in organizational behavior, human resource management, and statistics to ensure adequate coverage of all relevant constructs and appropriateness for Nigerian context. Face validity was established during pilot study where respondents provided feedback on question clarity, appearance, and appropriateness, leading to minor refinements. Reliability was evaluated using Cronbach's alpha coefficient for internal consistency. All constructs exceeded the acceptable threshold of 0.70 (Hair *et al.*, 2010), with direct participation ( $\alpha = 0.842$ ), consultative participation ( $\alpha = 0.831$ ), delegate participation ( $\alpha = 0.819$ ), indirect participation ( $\alpha = 0.806$ ), operational performance ( $\alpha = 0.857$ ), and human resource performance ( $\alpha = 0.843$ ) demonstrating good internal consistency.

### **Data Collection and Analysis Procedures**

Questionnaires were administered through face-to-face encounters with respondents at Nestlé Nigeria locations including Agbara factory, Flowergate factory, and Lagos head office between March and April 2025. Research assistants trained in survey administration provided clarification while maintaining response independence. A total of 360 questionnaires were distributed, with 346 fully completed and usable responses retained for analysis, representing 96.1% response rate. Data analysis employed descriptive and inferential statistics using SPSS version 28. Descriptive statistics including frequencies, percentages, means, and standard deviations summarized respondent characteristics and item-level perceptions. Pearson product-moment correlation tested relationships between employee participation and organizational performance. Multiple regression analysis assessed predictive effects of participation dimensions on performance and commitment. All hypotheses were tested at 5% significance level ( $p < 0.05$ ). Preliminary analyses confirmed compliance with regression assumptions including normality,

linearity, independence of residuals, and absence of multicollinearity (variance inflation factors < 2.5).

**Results**

**Demographic Characteristics of Respondents**

Table 1 presents demographic characteristics of the 346 respondents. Gender distribution showed male dominance (58.4%) relative to females (41.6%), reflecting manufacturing sector employment patterns in Nigeria. Age distribution indicated 35.3% aged 31-40 years, 31.5% aged 21-30 years, 21.1% aged 41-50 years, and 12.1% above 50 years, demonstrating workforce concentration in prime working ages. Educational attainment revealed 45.1% held Bachelor's degrees/HND, 26.9% held postgraduate degrees, 19.4% held Diploma/NCE, and 8.7% held secondary school certificates, indicating highly educated workforce capable of meaningful participation. Length of service showed 34.4% served 6-10 years, 27.5% served 1-5 years, 22.5% served 11-15 years, and 15.6% served over 15 years, indicating substantial organizational experience. Departmental distribution included Production (31.5%), Sales/Marketing (24.9%), Administration/HR (16.2%), Finance (13.9%), and Research and Development (13.6%), providing comprehensive coverage across organizational functions.

**Table 1. Demographic Characteristics of Respondents**

Variable	Category	Frequency	Percentage
Gender	Male	202	58.4
	Female	144	41.6
Age	21-30 years	109	31.5
	31-40 years	122	35.3
	41-50 years	73	21.1
	Above 50 years	42	12.1
Education	Secondary School	30	8.7
	Diploma/NCE	67	19.4
	Bachelor's/HND	156	45.1
	Postgraduate	93	26.9
Length of Service	1-5 years	95	27.5
	6-10 years	119	34.4

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	11-15 years	78	22.5
	Over 15 years	54	15.6
Department	Production	109	31.5
	Sales/Marketing	86	24.9
	Admin/HR	56	16.2
	Finance	48	13.9
	R&D	47	13.6

**Descriptive Statistics of Employee Participation Forms**

Table 2 presents descriptive statistics for employee participation dimensions. Mean scores ranged between 2.98 and 3.76 on the five-point scale, indicating moderate to moderately high levels of perceived participation. Direct participation recorded the highest mean (mean = 3.76, SD = 0.68), suggesting employees perceive relatively greater involvement in immediate work-related decisions through team meetings, quality circles, and suggestion schemes. Consultative participation followed (mean = 3.54, SD = 0.72), indicating moderate opportunities to provide input on broader organizational matters. Delegative participation (mean = 3.31, SD = 0.74) and indirect participation (mean = 2.98, SD = 0.79) recorded lower means, suggesting less perceived autonomy in decision-making and weaker effectiveness of representative structures. One-way ANOVA confirmed significant differences in prevalence of participation forms ( $F(3,1380) = 42.67, p < 0.001$ ), supporting rejection of the null hypothesis that no significant differences exist.

**Table 2. Descriptive Statistics of Employee Participation Dimensions**

Participation Dimension	Mean	Std. Deviation	Skewness	Kurtosis
Direct Participation	3.76	0.68	-0.234	0.187
Consultative Participation	3.54	0.72	-0.176	0.092
Delegative Participation	3.31	0.74	-0.098	-0.043
Indirect Participation	2.98	0.79	0.112	-0.156

**Employee Participation and Organizational Performance**

Pearson correlation analysis revealed a significant positive relationship between employee participation and organizational performance ( $r = 0.624, p < 0.001$ ), indicating that higher levels of participation are associated with better perceived organizational performance. All participation dimensions correlated positively with performance: direct participation ( $r = 0.587, p < 0.001$ ), consultative participation ( $r = 0.543, p < 0.001$ ), delegative participation ( $r = 0.461, p < 0.001$ ), and indirect participation ( $r = 0.372, p < 0.001$ ). Multiple regression analysis examined the predictive effect of participation dimensions on organizational performance. Table 3 presents the model summary, indicating that participation dimensions collectively accounted for significant variance in performance. The model produced  $R = 0.624$  and  $R^2 = 0.389$ , indicating that approximately 38.9% of variation in organizational performance was explained by employee participation dimensions. Adjusted  $R^2$  of 0.381 reflected predictive power corrected for number of predictors. The Durbin-Watson statistic of 1.892 indicated independent residuals, satisfying the assumption of no autocorrelation.

**Table 3. Regression Model Summary: Participation Dimensions and Organizational Performance**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	0.624	0.389	0.381	0.412	54.27	4			

ANOVA results confirmed that the regression model was statistically significant, with  $F(4,341) = 54.27, p < 0.001$ , indicating that the model reliably predicted organizational performance and at least one participation dimension had measurable effect. Table 4 presents regression coefficients indicating relative contribution of each participation dimension. Direct participation demonstrated the largest effect on organizational performance ( $\beta = 0.342, t = 6.28, p < 0.001$ ), suggesting that immediate involvement in work-related decisions through team meetings, quality circles, and suggestion schemes most strongly influences performance outcomes. Consultative participation showed significant positive effect ( $\beta = 0.287, t = 5.41, p < 0.001$ ), indicating that opportunities to provide input on broader organizational matters contribute substantially to performance. Delegative participation demonstrated significant effect ( $\beta = 0.206, t = 3.97, p = 0.003$ ), showing that autonomy in job execution and decision-making authority

enhances performance. Indirect participation showed smaller but significant effect ( $\beta = 0.118$ ,  $t = 2.05$ ,  $p = 0.041$ ), indicating that representative structures contribute modestly to performance perceptions.

**Table 4. Regression Coefficients: Participation Dimensions Predicting Organizational Performance**

Predictor	Unstandardized B	Std. Error	Standardized $\beta$	t	Sig.	Tolerance	VIF
(Constant)	1.284	0.187		6.87	0		
Direct Participation	0.398	0.063	0.342	6.28	0	0.612	1.634
Consultative Participation	0.326	0.06	0.287	5.41	0	0.648	1.543
Delegative Participation	0.241	0.061	0.206	3.97	0.003	0.683	1.464
Indirect Participation	0.124	0.058	0.118	2.05	0.041		

### Employee Participation and Employee Commitment

Correlation analysis revealed significant positive relationship between employee participation and employee commitment ( $r = 0.526$ ,  $p < 0.001$ ). Regression analysis examining participation's effect on commitment produced  $R = 0.526$  and  $R^2 = 0.277$ , indicating that employee participation explained 27.7% of variance in commitment. The model was significant ( $F(4,341) = 32.68$ ,  $p < 0.001$ ). Direct participation emerged as strongest predictor of commitment ( $\beta = 0.451$ ,  $t = 7.84$ ,  $p < 0.001$ ), followed by consultative participation ( $\beta = 0.324$ ,  $t = 5.76$ ,  $p < 0.001$ ), delegative participation ( $\beta = 0.198$ ,  $t = 3.42$ ,  $p = 0.001$ ), and indirect participation ( $\beta = 0.094$ ,  $t = 1.98$ ,  $p = 0.048$ ).

### Barriers to Effective Employee Participation

Table 5 presents mean scores for barriers hindering effective employee participation, rated on five-point scale where higher scores indicate greater perceived hindrance. Inadequate communication channels recorded highest mean (mean = 3.89, SD = 0.72), suggesting employees perceive insufficient information flow about participation opportunities and outcomes. Limited management commitment followed (mean = 3.76, SD = 0.74), indicating perception that

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management lacks genuine dedication to participative approaches. Insufficient training (mean = 3.68, SD = 0.71) suggested employees feel inadequately prepared for effective participation. Time constraints (mean = 3.54, SD = 0.69), cultural barriers (mean = 3.47, SD = 0.73), and tokenism concerns (mean = 3.42, SD = 0.76) also recorded moderate to high means. One-sample t-test confirmed that all barriers scored significantly above the midpoint of 3.0 ( $p < 0.001$ ), supporting rejection of null hypothesis that organizational challenges do not significantly hinder participation.

**Table 5. Barriers to Effective Employee Participation**

Barrier	Mean	Std. Deviation	t	Sig.
Inadequate communication channels	3.89	0.72	22.84	0
Limited management commitment	3.76	0.74	18.92	0
Insufficient training	3.68	0.71	17.56	0
Time constraints	3.54	0.69	14.38	0
Cultural barriers	3.47	0.73	12.05	0
Tokenism concerns	3.42	0.76	10.98	0
Fear of reprisal	3.38	0.78	9.87	0
Inequitable voice	3.31	0.75	8.43	0

**Discussion**

The findings reveal significant positive relationships between employee participation and both organizational performance and employee commitment in Nestlé Nigeria Plc, consistent with theoretical expectations and prior empirical evidence. The moderate to moderately high mean scores for participation dimensions indicate that Nestlé has implemented participative practices to a reasonable extent, though variation across participation forms suggests differential emphasis on certain mechanisms. Direct participation through team meetings, quality circles, and suggestion schemes appears most prevalent and most influential, aligning with manufacturing sector requirements for continuous improvement and operational excellence where frontline workers possess valuable process knowledge (MacDuffie, 1995; Arthur, 1994).

The finding that direct participation emerged as strongest predictor of both performance and commitment supports Participative Decision-Making Theory's emphasis on cognitive benefits of involvement, as employees closest to production processes contribute unique insights leading to better decisions and outcomes. This also aligns with Herzberg's Two-Factor Theory, as direct participation provides intrinsic motivators including responsibility, achievement, and recognition, enhancing job satisfaction and motivation (Herzberg, 1959). In manufacturing contexts where quality and efficiency depend on worker attention and effort, direct involvement mechanisms appear particularly effective in harnessing employee knowledge and motivation for performance improvement. Consultative participation's significant effect on both outcomes indicates that opportunities to provide input on broader organizational matters beyond immediate tasks also contribute substantially. This supports Social Exchange Theory's reciprocity mechanism, as employees perceiving organizational investment in their voice reciprocate with commitment and discretionary effort (Cropanzano *et al.*, 2023).

When employees feel their opinions on policies, procedures, or strategic matters are sought and valued, they develop stronger organizational attachment and willingness to contribute beyond minimum requirements. Delegative participation's significant though weaker effect suggests that autonomy in job execution and decision-making authority enhances performance, consistent with self-determination theory propositions that autonomy satisfies basic psychological needs and enhances intrinsic motivation (Deci and Ryan, 2017). However, the relatively lower mean for delegative participation suggests Nestlé employees perceive less autonomy than direct involvement, possibly reflecting manufacturing sector requirements for standardized procedures and quality control that necessarily limit individual discretion in production environments.

Indirect participation through representative structures showed smallest but still significant effects, indicating that union engagement and formal consultation mechanisms contribute modestly to performance and commitment. This finding aligns with research suggesting indirect participation may be more relevant for strategic outcomes and broader employee relations than day-to-day operational improvements (Wall and Lise, 1990). In unionized manufacturing environments, effective representative structures may serve important functions in maintaining industrial harmony and addressing collective concerns, indirectly supporting performance through reduced conflict and enhanced cooperation. The significant relationship between participation and

employee commitment extends understanding of participation's psychological effects. Direct participation's strong prediction of commitment suggests that involvement in immediate work decisions builds affective attachment through enhanced job satisfaction and perceived organizational support. This finding supports organizational commitment literature demonstrating that participative climates foster stronger employee-organization bonds (Meyer and Allen, 1991), and extends it to Nigerian manufacturing context. Identification of barriers including inadequate communication channels, limited management commitment, and insufficient training reveals critical areas requiring organizational attention.

That communication channels received highest mean score indicates employees perceive insufficient information about participation opportunities and how their input is utilized, consistent with research emphasizing transparent communication as essential for effective participation (Lumapps, 2025). Without clear communication about participation processes and outcomes, employees may perceive involvement as tokenistic, potentially generating cynicism rather than commitment (Training Magazine, 2025). Limited management commitment, emerging as second-ranked barrier suggests employees perceive management lacks genuine dedication to participative approaches. This finding aligns with evidence that participative initiatives often fail when managers are unwilling to share power or trust employee capabilities (Cotton *et al.*, 1988). In hierarchical organizational cultures characteristic of many Nigerian firms, transitioning to more participative styles requires deliberate leadership development and cultural change efforts (Akinola and Ogundele, 2024). Insufficient training as significant barrier indicates employees feel inadequately prepared for effective participation, consistent with research emphasizing that participation requires skills in problem-solving, communication, and teamwork (Snell and Dean, 1992). Organizations implementing participative practices must invest in developing employee capabilities to participate effectively, as involvement without competence may produce frustration rather than engagement. The regression model explaining 38.9% of variance in organizational performance indicates that employee participation substantially contributes to performance outcomes while other factors including technology, market conditions, and leadership also matter. This finding aligns with research positioning participation as one component of high-performance work systems alongside complementary practices including training, performance management, and reward systems (Huselid, 1995).

Contextual factors unique to Nestlé Nigeria's manufacturing environment help explain these patterns. Large-scale food and beverage production requires coordination across complex processes where frontline worker knowledge proves valuable for identifying inefficiencies and quality issues. Simultaneously, food safety regulations and quality standards necessarily limit individual discretion, explaining why direct participation through structured mechanisms like quality circles may be more feasible than extensive delegative participation. The company's multinational status brings global best practices in human resource management while requiring adaptation to Nigerian cultural contexts where power distance and hierarchical expectations may influence participation dynamics.

### **Conclusion**

This study examined the relationship between employee participation and organizational performance in Nestlé Nigeria Plc, demonstrating that participation significantly influences both performance outcomes and employee commitment. Direct participation through team meetings, quality circles, and suggestion schemes emerged as most prevalent and most influential form, followed by consultative participation, delegative participation, and indirect participation. The findings support theoretical predictions that involvement in decisions enhances decision quality through cognitive contributions and builds commitment through reciprocity mechanisms. The study concludes that employee participation represents a valuable organizational practice for manufacturing firms seeking to enhance performance and employee outcomes. However, effectiveness depends on addressing barriers including inadequate communication, limited management commitment, and insufficient training. Organizations must implement participative mechanisms authentically, communicate transparently about processes and outcomes, develop managerial capabilities for participative leadership, and build employee competencies for effective involvement. This research contributes to participative decision-making theory by providing empirical evidence from an under-researched African manufacturing context, demonstrating how different participation forms vary in prevalence and influence. The findings extend understanding of participation's multidimensional nature by revealing relative importance of direct versus indirect mechanisms in manufacturing settings.

## Recommendations

1. Implement participative mechanisms authentically – Ensure that participative structures (e.g., team meetings, quality circles) are genuinely empowered rather than symbolic, with clear links to decision-making processes.
2. Communicate transparently – Provide regular, clear feedback on how employee input is used and the outcomes of participative initiatives to build trust and sustained engagement.
3. Develop managerial capabilities – Train managers and supervisors in participative leadership skills, including active listening, delegation, and facilitating collaborative problem-solving.
4. Build employee competencies – Equip employees with the necessary skills (e.g., communication, analytical, and teamwork skills) to enable meaningful and effective participation.
5. Address key barriers systematically – Proactively tackle identified obstacles such as poor communication channels, lack of management buy-in, and inadequate training through targeted organizational interventions.

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