

Impact of Employee's Participation in Decision Making on Innovative Capacity and Organizational Learning

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Abstract

This study is designed to evaluate the impact of the relevant process on the innovation capacity and organizational learning of the organization, which includes learning and knowledge sharing, on the assumption that ensuring the participation of employees in the decision-making process, which is operated to choose among the options, will facilitate the sharing, interpretation and transfer of the information required during the choice with others. It has been determined that there is a moderately strong, positive and significant relationship between the participation of the employees in the decision-making process and the innovative capacity of the organization and organizational learning, and the related process -in parallel with the results of the previous studies on the subject-positively affects the innovation capacity and organizational learning.

Keywords: Participation in Decisions, Innovation, Organizational Learning

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1. Introduction

Knowledge is accepted as the most valuable competitive tool for commercial organizations and it is clear that transforming knowledge into a systematic requires a total learning behavior. In this context, organizational learning refers to the process of integrating and institutionalizing (making continuous and accessible) the knowledge obtained by employees during the realization of purposeful activities. It is stated that businesses that can realize organizational learning can use information effectively and have a high innovation capacity (DuPlessis, 2007). On the other hand, in the studies carried out to date (Gnyawali et al., 1997; Geng et al., 2009; Burpitt & Rondinelli, 1998), it was also pointed out that the effectiveness of the decision-making process depends on the complete and timely acquisition of the information required in the decision-making process— organizational learning and organizational learning. It is associated with knowledge management and systems, which is one of the basic components of learning: It is emphasized that organizations that can realize organizational learning, provide and use information can make appropriate decisions (De Dreu and West, 2001).

However, in the literature on the subject, it is observed that the decision-making process can contribute to the acquisition of organizational knowledge (organizational learning is one of the antecedents of innovation) and its interaction has not been investigated. In this context, within the scope of the study, a research was planned to be carried out in hospitals, which are stated to be a complex service organization (Tucker et al., 2007), in which task responsibilities are shared among units with conflicting priorities, in order to evaluate whether the participation of employees in the decision-making process affects the increase of innovation capacity and the realization of organizational learning. .

The necessity of monitoring the effects of participation in decisions on organizational learning and innovation separately is based on the emphasis placed on the contextual differences while considering learning and innovation as complementary concepts. In fact, while it is pointed out that learning focuses on the expansion of the capacity for the assimilation of existing knowledge and the organizational value of providing information, it is stated that innovation represents the problem-solving skill, the capacity to create new knowledge, and focuses on the willingness of the organization to change (Cohen and Levintal, 1990; Calantone et al. 2002).

2. Theoretical framework

Carrying out activities requires making choices – making decisions – among alternatives. Employees responsible for running the business can be included in the decision-making process to increase efficiency. In this respect, the decision-making process refers to a multilateral process. It is thought that the employees involved in the decision-making process will see themselves as the owners of the business and their commitment to the work and the organization will be strengthened. In addition, it is pointed out that the decision-making process provides information sharing.

Han et al. (2010), with reference to the studies in the literature on the subject (McGregor, 1986; Greenberg, 1975; Van Dyne and Pierce 2004; Wilkinson 1998; Cox et al., 2006), learning the art of self-management of employees' participation in decision making, cooperation, employees' own abilities. While he mentions that it enables him to exhibit, express his ideas, meet the development needs of people, and develop altruistic behaviors, he also reveals in his studies that he develops the approaches of employees regarding information sharing, and points out that decision-making can be considered as an information transfer process.

Accepting the decision-making process as a process of knowledge transfer, organizational learning – the process of which requires knowledge to be acquired, used and developed when necessary – and – the development of new ideas, the development and application of existing structures, processes and / or techniques, in which information is needed. – makes it associated with innovation.

Organizational learning, which was first defined as "detection and correction of errors" by Argyris and Schon (1978), is today considered as a concept that needs to be addressed over the whole of the organization. In this context, it is stated that researchers accept that organizational learning takes place at the system level and define it as the capacity or process within the organization that enables performance to be increased and improved over time (Teo et al., 2006). In another definition, it is expressed as "readiness to take part in transformative organizational change processes" (Bess et al., 2011). Organizational learning requires both "knowledge" and "sharing", a degree of collective action and more or less employee participation: In this respect, it is based on the structural and cultural characteristics of the organization (Granerud & Rocha, 2011).

Innovativeness, which is "a quality of organizations that have the ability to learn continuously" (Öğüt, 2012), means the presentation of a new product or the development of an existing product to meet the needs, the development and implementation of a new or new or existing technique, system, approach. Innovation capacity is defined as a skill and knowledge required to develop existing technologies and design new ones (Romjin and Albaladejo). Since the skill level and differences in an organization's human resources system facilitate the provision of information required for innovation (Koç, 2007), it can be said that the knowledge that individuals must have is important for the organization to increase its innovative capacity (Cohen & Levintal, 1990). If the organization encourages individuals to develop innovative and creative ideas, introduce new products, and is willing to offer new methods, the innovative capacity of the organization will be high.

3. Participation in Decisions and Innovation Capacity

It is essential that all employees have a strategic awareness for the goals of the organization and transform it into an effort in line with the goals of the organization in order for organizations to gain superiority in competition, and to maintain this competitive advantage (Öğüt and Erbil, 2009).

In this context, an important field of activity that requires the full effort of the members of the organization is innovation. It can be said that an important value in acquiring and increasing organizational innovation capacity is to attract more employees to work.

It is clear that especially employees who participate in decision mechanisms identify themselves with the organization and contribute more to organizational success. On the other hand, it is possible to see studies in the literature that reveal the positive effect of decentralized organizational structures that provide employees with the right to participate in decisions on innovation performance (Song & Thieme, 2006; Koc, 2007). In this context, within the scope of the aim and theoretical framework of the study, H1 was determined as follows:

H1: There is a positive relationship between the participation of employees in the decision-making process and the innovative capacity of the enterprise.

4. Participation in Decisions and Organizational Learning

An important building block of gaining competitive advantage is organizational learning. Learning activities allow for adaptation to change and wide-ranging advancement of the organization (Scott-Ladd & Chan, 2004). Participation in decisions, which is a concept that defines the free expression of ideas by employees, can be considered as an element that affects the learning efforts of organizations. Employees who express their thoughts comfortably will be able to express what they need and will be able to talk about their learning needs in a more specific way. In this context, it is possible to see studies in the literature that deal with the correlation between participation in decisions and organizational learning. Jansen (2015) revealed in his study that non-managerial or low-level managers contribute significantly to knowledge generation and learning in the context of developing a new vision.

In another study conducted by Scott-Ladd and Chan (2004), the moderator effect of employee participation in decisions was determined on the relationship between emotional intelligence and organizational learning. Despite the logical relationship between participation in decisions and organizational learning, few records were found in the literature and the other hypotheses of the study H2, H2a and H2b were structured as follows:

H2: There is a positive relationship between the participation of employees in the decision-making process and organizational learning.

H2a: There is a positive relationship between the participation of employees in the decision-making process and organizational learning culture, which is a sub-dimension of organizational learning.

H2b: There is a positive relationship between the participation of employees in the decision-making process and the system understanding, which is a sub-dimension of organizational learning.

5. Research methods

It was thought to carry out the research in an area where knowledge sharing, learning and innovation are important and where the efficiency of human capital is high, and it was decided to carry out the research in the service sector. In this respect, the hospitals providing health services were found to be suitable for the texture of the study.

The population of the research consists of 124 academic staff working at Selçuk University Medical Faculty Hospital and actively participating in the decision-making process. Since the population is known, the following formula was used to determine the number of samples (Yazıcıoğlu and Erdoğan, 2004):

$$n = Nt^2pq/d^2 (N - 1) + t^2pq$$

The frequency of occurrence (p) and non-existence (q) of the investigated event was assumed to be 0.5. The sampling error was accepted as 5% and the confidence level as 95% in the study. Theoretical t value at 95% confidence interval and 0.05 significance level was determined as 1.96 in the t distribution critical values table. According to the formula, n=94 was found. In this case, it can be stated that 97 units reached by making a full count (excluding those containing incomplete information from the 109 questionnaires returned from 124 academicians) are sufficient. 65% of the participants are men and 35% are women. The mean age is 37.86 (SD=5.94). Most of them are assistant professors (53%).

6. Data Collection and Analysis Techniques

Questionnaire was used as a data collection technique in the study. Within the scope of the survey, questions about employee participation in decisions, innovation capacity, organizational learning and demographic and professional information of the participants were included.

Employee participation in decisions: Evers et al. (2000) and used and included in the studies of Schepers and van der Berg (2007). This scale consists of five items. A 5-point Likert-type scale was used (1=Strongly disagree, 2=Disagree, 3=Neither Agree Neither Disagree, 4=Agree, 5=Strongly Agree). As a result of the reliability analysis for the scale and the exploratory factor analysis performed, it was decided that there was no need to remove statements from the scale (Cronbach's Alpha=0.89, KMO=0.81. The result of the Barlett sphericity test was very significant [p=0.00]. Anti-image correlation coefficients are positive for all expressions [above .50]

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Innovation capacity: In its measurement, by Lin (2007), Calantone et al. (2002) using the scale developed by the six-item scale was used. A 5-point Likert-type scale was used (1=Strongly disagree, 2=Disagree, 3=Neither Agree Neither Disagree, 4=Agree, 5=Strongly Agree). As a result of the reliability analysis for the scale, it was decided to exclude the statement that "innovating is perceived as a risky business and is prevented" from the analysis. As a result of the exploratory factor analysis performed after the extracted expression, the KMO value was 0.81. The significance of the result of the Barlett sphericity test was very high ($p=0.00$).

Table 1 shows the mean, standard deviation and correlation coefficients between the variables and Cronbach's Alpha values regarding the decision-making process of the employees, which are the independent variables of the research, and the innovative capacity and organizational learning as the dependent variables, organizational learning culture and system understanding, which are the sub-dimensions of organizational learning. given.

As a result of the Pearson correlation analysis, there was a moderate, positive correlation between the participation of the academicians working in the hospital in the decision-making process and the innovative capacity of the hospital ($r=0.50$, $p<0.01$) and organizational learning ($r=0.57$, $p<0.01$). It was found that there was a directional and significant relationship. The relationship between organizational learning culture ($r=0.56$, $p<0.01$) and understanding of the system ($r=0.47$, $p<0.01$) is also positive, and the relationship with learning culture is relatively higher. found to be strong.

Table 1. Descriptive Statistics, Correlations Between Variables and Cronbach's Alpha Values of the Variables

Variable	Ave.	Std. dev.	1	2	3	4	5
1. Participation of Employees in Decision Making Process	3,81	,80	(,89)				
2. Innovation capacity	3,36	,76	,50	(,88)			
3. Organizational Learning	3,20	,67	,57	,68	(,92)		
4. Organizational Learning Culture	3,24	,69	,56	,69	,95	(,89)	
5. System Understanding	3,15	,81	,47	,52	,87	,67	(,84)

All correlations are statistically significant at $p < 0.01$. Confidence coefficients are given in parentheses.

7. Discussions

As a result of these analyzes, it is seen that there are significant relations between the participation of the academicians working in the hospital in the decision-making process and the innovative capacity of the organization and organizational learning, and that the decision-making process affects both organizational learning relatively more. (This confirms H1 and H2.) It can be said that participation in the decision-making process affects the organizational learning culture more and has a similar effect on the sub-dimensions of learning. (H2a and H2b are also confirmed.) The positive effect of the decision-making process determined by the research on innovation Koc (2007) and Han et al. (2010) is supported by the results of his studies. Koc (2007) –pointing to decentralized decision making – states that decision participation is important for innovation capacity. Han et al. (2010), on the other hand, reveal that employees involved in the decision-making process tend to share innovative information that will contribute to organizational performance.

The result regarding organizational learning is Hult et al. (2001), can be read in parallel with what Granerud and Rocha (2011) and Jansen (2015) put forward in their studies. Hult et al. (2001)

while mentioning the importance of organizational learning, points out that sustainable competitive advantage is associated with the integration of the knowledge of the participants (organization members) and that the inclusion of employees in the process will ensure this integration. While Granerud and Rocha (2011) talked about the effect of knowledge sharing, experience and problem-solving processes on organizational learning, and that organizational learning can be achieved by sharing knowledge, Hult et al. (2001) emphasizes the appropriateness of involving employees in problem solving (and decision-making is also a problem-solving process). Jansen (2015), on the other hand, states that lower-level managers and non-managerial employees contribute to knowledge acquisition, learning and thus creating a new vision. Considering the evaluations of Rangachari (2010) regarding the necessity of sharing knowledge together with teamwork in order to realize organizational learning in hospitals, it is seen that the result of the research and in this context Hult et al. (2001) and Granerud and Rocha (2011) and Jansen (2015)'s statements increase the semantic depth.

8. Conclusion and recommendations

The appropriateness of the decisions of the organizations providing health services is important, as they can directly affect human life due to the nature of their work. This importance is even more evident in training and research hospitals that have a teaching mission. In this context, the research conducted within the scope of the employees (academics) working in a medical faculty hospital as a knowledge-intensive service organization shows that the relevant process is effective on innovation capacity and organizational learning. It is possible to say that knowledge based on experience is one of the determinants of innovation potential. It can be argued that this potential is created by testing the knowledge with experience in health organizations where the acceptance that "every case is unique" is common. As a matter of fact, considering the need for learning to "realize" the innovation potential, it would be appropriate to point out the positive effect of participation on learning. It is observed that participation in decisions strengthens organizational learning by positively influencing the learning culture, which includes the view that "learning is effective in the execution of work", and the system understanding, which is based on the interaction between individuals and/or groups that make up the whole.

It would be appropriate to argue that those who have the power to design the organization and the managers of the organization share the decision-making authority, which is accepted as a sign of power, with the employees, in fact, it will increase the effect of power. It is expected that research will be carried out to confirm this claim: It is thought that monitoring the dynamics of power and the effects of power sharing on innovation and learning will contribute to the field.

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