



## The Influence of Individual Factors on Malaysian Managers' Participation in Decision Making

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### Abstract

The main objective of this study is to test the influence of individual factors on PDM among Malaysian middle and top level managers in the private sector. Leader-member exchange (LMX) is included as a moderating variable in the individual factors – PDM relationship. The relationship between PDM and organisational citizenship behaviour (OCB) is also tested with self-efficacy as the moderator. The sampling procedure involved self-administered questionnaire surveys on 333 participants. The results reveal that trust, superior-subordinate ethnic similarity and idiocentrism influence PDM, respectively and that self-efficacy had a moderating effect on the PDM-OCB relationship.

*Keywords:* Participation in decision making; Organisational citizenship behaviour; Leader-member exchange; Demographic similarity

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### 1. Introduction

Are Malaysian managers culturally prepared to take on management techniques, such as employee participation in decision making (PDM), which has its basis in cultural orientations of individualistic behaviour? Do the findings of PDM studies carried out in the Western culture also apply to Malaysia? The study on culture revealed that Malaysians scored low on uncertainty avoidance, average on masculinity, quite high on collectivism and very high on power distance in relation to cultures (Voronov and Singer, 2002). With such findings, managers may ask if Malaysian employees are culturally prepared to take on management techniques, such as PDM when they prefer “not to argue with the superior ... pretend to understand instructions for fear of being thought stupid ..., reluctant to bring up any problems to the attention of supervisors ..., do not ask for help when they do not understand” (Abdullah, 1992). If Malaysian employees are prepared to take on PDM, are managers in Malaysia given the opportunity to participate in decision making? How much of the decisions made in Malaysian firms is a result of employee involvement? Are employees worth investing in? Are employees the driving force behind successful organisations? Success depends on involving the workforce's entire capacity to generate

new ideas and ways of working to outsmart the competitors. Success here means identifying employees as a competitive advantage, investing in and recognizing them as one of the most important assets of the organisation. Today's managers recognize the critical importance of staying connected to employees rather than a single-minded focus on profits. Therefore, the strength and quality of collaborative relationships contribute to success in the workplace (Daft, 2006). Involving the workforce is crucial if employees are to understand the need for creativity and to be committed to changing their behaviours to work in new and improved ways, which is demanded by the new workplace. An important management challenge in the new workplace is identifying and clarifying employees' perceptions of their involvement in the organisation hence, factors that contribute to these perceptions are of considerable importance to researchers and managers. PDM has been identified as one of several management interventions that is an important aspect of organisational life and a key to achieving increased organisational effectiveness and positive work perceptions.

Hence, this study aims to further shed some light on employee participation in Malaysian firms as there are signs of its existence within the Malaysian context. The overall objective of this study is to examine the extent to which individual factors influence PDM.

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More specifically, this study attempts to examine the extent to which:

- a) A relationship exists between each individual factor and PDM.
- b) LMX moderates the individual factors and the PDM relationships, respectively.
- c) Self-efficacy moderates the PDM and OCB relationship.

## 2. Theoretical Background and Hypotheses

### 2.1 Trust and PDM

Trust is considered crucial for organisational effectiveness (Gomez and Rosen, 2001), hence interpersonal trust is at the heart of organisational coordination and control (McAllister, 1995). According to Rosen and Jerdee (1977), it is important to study the effects of trust on PDM as trust in subordinates is so closely related to managerial willingness to employ participative decision processes. They further added that managers demonstrate significant trust in and respect for their employees when they share control. Driscoll (1978) reported that employees' trust is influenced by the satisfaction level of their level of participation in decisions; while Deci et al (1989) have found that levels of trust is higher when employees can participate in decisions that involve their work roles. Many are in agreement that even when control is limited to the process of decision making, such as in having the opportunity to voice opinions, it is positively associated with trust in managers (Bauer and Green, 1996; Folger and Konovsky, 1989; Korsgaard and Roberson, 1995).

When superiors are comfortable with the competence level of employees, there seem to be trust for the subordinates (Bauer and Green, 1996; Dienesch and Liden, 1986; Driscoll, 1978; Whitener and Brodt, 1998) and trust has been found to be highly correlated with participative styles of leadership (Klauss and Bass, 1982). Hence, trust has been identified as an individual factor that could influence PDM. However, there are very limited studies that have examined trust as a factor influencing PDM. Similarly, Zin (1998) highlighted in his study on participation among Malaysian professionals that any successful PDM programme must have a manager's trust. Therefore, this study aims to examine this relationship and as such has included the following hypothesis:

H1: A relationship between trust and PDM exists.

### 2.2 Demographic similarity and PDM

Age, gender, race, tenure and education that make up the demographic characteristics of individuals, have long been considered important variables in

psychological research (e.g. Tsui and O'Reilly, 1989). Tsui and O'Reilly's (1989) reasoning for choosing demographics as a research topic is based on the notion that people tend to be drawn to those who are similar to them in terms of demographic characteristics, activities or attitudes (Bryne et al, 1966).

Research evidence has shown consistent though weak support for same-race (Kraiger and Ford, 1985) and same-gender (Mobley, 1982) bias on performance. Tsui and O'Reilly (1989) found that supervisor's perceptions of subordinates' effectiveness are associated with their affect toward the subordinates. The subordinates in mixed-gender dyads were reported as performing more poorly and were liked less than the subordinates in same-gender dyads. Furthermore, higher levels of role ambiguity and role conflict were reported by subordinates in mixed-gender dyads.

Part of the focus of this study is to examine demographic influence on PDM. However, instead of the usual examination of gender or ethnic group on PDM, this study's aim is to investigate the superior-subordinate gender and ethnic group similarity with PDM, respectively. Past research in Malaysia that focused on demographic factors and PDM includes Zin's (1998) study for example, which found differing levels of PDM between the genders, while another unpublished research revealed no difference between males and females (Kaur, 1999). However, Kaur (1999) did find that the Chinese respondents to have higher PDM levels than the Malay respondents in one Japanese factory.

Considering the fact that Malaysia has one of the most diversified ethnic groups, thus it would be interesting to investigate not just demographic factors but specifically look into the impact of superior-subordinate demographic similarity as factors influencing PDM. As indicated in the literature search, most positive outcomes seem to be related to superiors and subordinates who are demographically similar as compared to those who are not. Whether or not this holds in a Malaysian setting can be determined in this study. Thus, this study aims to examine the extent to which:

H2: A relationship between PDM and demographic similarity exists.

### 2.3 Idiocentrism, Allocentrism and PDM

Triandis suggested using the terms *idiocentrism* and *allocentrism* to replace individualism and collectivism at the individual level, respectively, in order to provide a clearer distinction between the country and the individual levels of analysis (Voronov and Singer, 2002). In cultures where collectivism or allocentrism is high, participative management may not

be effective until subordinates learn to expect it (Earley and Gibson, 1998). In individualistic cultures, expectations about participation are more likely (Earley and Gibson, 1998).

Smith et al (Earley and Gibson, 1998) have demonstrated that individualism and collectivism relate to the type of guidelines leaders utilize in making decisions. Middle level managers in individualistic countries reported greater reliance on their own experience and their subordinates, whereas in collectivistic countries, middle level managers reported greater reliance on formal rules. In sum, individualists respond less favourably to authoritarian leadership and rely more on their own experience and their subordinates when making decisions than do collectivists (Earley and Gibson, 1998).

Lam et al (2002) found support for the hypothesis that when a group is high on allocentrism and has high participation efficacy, perceptions of an opportunity for PDM will have a positive effect on the performance of the group. Lam et al (2002) also found perceptions of an opportunity for PDM to have a positive effect on the performance of the individual when the individual is high on idiocentrism and participation efficacy. Moreover, power distance in organisations has been found to influence PDM, which was reported in the study of management practices and national culture (Newman and Nollen (1996).

This study aims to investigate if the same results will occur in Malaysia, a high power distance country, as claimed by Hofstede (Voronov and Singer, 2002). Conversely, some research has indicated a tendency now for Malaysian managers to portray some elements of idiocentrism, hence it is not surprising for Schwartz (1990) to establish that Malaysia has some features of individualism and is not a total collectivistic nation as initially described by Hofstede. Therefore, the empirical evidences of the preceding paragraphs form yet another hypothesis indicating:

H3: A relationship between PDM and idiocentrism-allocentrism exists.

#### *2.4 Moderating Variables*

According to Lam et al (2002), only equivocal conclusions can be drawn from existing research on the relationship between PDM and job performance. Some quantitative reviews have found moderately positive relationships between these variables while others have reported small or no positive effects. They claim that these inconsistent findings might be explained by the absence of other moderating variables, hence the testing of moderating effects on PDM as part of the aim of this paper.

#### Leader-Member Exchange (LMX)

The Leader-Member Exchange (LMX) theory suggests that leaders may develop different types of relations with different members of the same work group. The theory depicts superior-subordinate relations as existing in a continuum ranging from high to low quality.

#### Trust

Subordinates should be asked to participate in decisions affecting the work units in situations where they experience the reciprocal trust characteristic of high-quality changes with their immediate supervisors (Scandura et al, 1986). Two separate studies found that subordinates with high LMX reported high levels of decision influence (Scandura et al, 1986; Wakabayashi and Graen, 1984). One interesting implication from Bauer and Green's (1996) study suggests that managers may use increased levels of decision influence as a reward for performance already delivered by a subordinate. The trust-building logic is consistent with this pattern where increased decision influence is more likely to occur after a manager is assured or trusts the subordinate. In sum, many have found preferential treatment accorded to subordinates when there exists high LMX (Gomez and Rosen, 2001; Keller and Dansereau, 1995).

#### Demographic Similarity

Liden et al (1993) noted that individuals might assign a different set of characteristics to someone who is similar to them than to someone who is dissimilar to them on the basis of categorisations rather than actual observations when processing performance evaluation information. Supervisors may enhance individuals' performance through increased support, encouragement or decision latitude (Dienesch and Liden, 1986). According to Turban and Jones (1988), several mechanisms may be working together to create this effect where similarity may enhance behavioural predictability (Meglino et al, 1991). Theoretically, these mechanisms are an important part of the superior-subordinate development process because (Lewis and Weigert, 1985) they can contribute to a growing sense of trust in the relationship (Dienesch and Liden, 1986).

#### Idiocentrism and Allocentrism

Since individualistic cultures derive their identity from the self and that individual accomplishment derives status, it would be more likely for employees high in idiocentrism to define their achievements and are expected to be self-sufficient (Kim et al., 1994). Even idiocentrics are bound to develop some relations with others at work, and what is of interest in this study

is the relationship or exchange between individuals (be it idiocentrics or allocentrics) and their immediate superiors.

Idiocentrics view an exchange with the immediate superior as an opportunity for self-enhancement, while a strong allocentric person will be “comfortable” if the relationship with the superior is with the group which is in line with the group’s goals (Earley and Gibson, 1998). Hence, it is assumed that strong allocentrics would have a low LMX on a dyadic level. Research has shown that high quality exchanges between superior and subordinate result in higher preferential treatment of the employee by the superior such as greater job autonomy (Kozlowski and Doherty, 1989) and more job latitude (Keller and Dansereau, 1995). Thus, with a high LMX, it is assumed that the idiocentric person will use this opportunity to better him- or herself for self accomplishment.

Since allocentrics are expected to act in the group’s best interests, they would regard an exchange with the superior with caution. If the LMX is viewed favourably by the group, the allocentric individual will favour the LMX and hence the exchange quality will be high. Conversely, if the LMX is viewed as unfavourable by the group, then the allocentric individual would avoid such an exchange. Thus, aims to examine the following hypothesis:

H4: LMX moderates the overall relationship between the individual factors and PDM.

#### Self-efficacy

Self-efficacy has direct effects on performance. Gist and Mitchell (1992) cited numerous empirical studies reporting a positive relationship between self-efficacy and a variety of work-related performance measures. Bandura’s (1986) research also reveals that low self-efficacy leads to avoidance of all but routine tasks, hence resulting in low levels of performance. This study attempts to investigate the relationship between self-efficacy and performance of employees. However, instead of operationalising performance as another conventional productivity measure, performance in this study is defined as organisational citizenship behaviour (OCB), which is more salient to the practitioner (Bateman and Organ, 1983).

Citizenship behaviours are presumably valued by supervisors because they make their own jobs easier and free their own time and energy for more substantive tasks. Empirical experiments strongly support the contention that citizenship behaviours are most likely to occur when a person experiences a generalised mood state characterised by positive affect (Bateman and Organ, 1983). Similarly, PDM also does have a strong relationship with affect states of the

employee, as shown by many empirical evidence. This being the case, it is assumed that employees who participate in decision making and when the employee finds it rewarding to him- or herself, the employee would have positive mood states. Thus, it would be most likely that such employees would be willing to participate in future and would feel competent in contributing in the decision making process, hence enhancing his or her self-efficacy. This also creates a feeling of self-worth (Keller and Dansereau, 1995; Zanna, 1992) as employees feel that management do really consider their views that enables employees to create a positive outlook towards the supervisor and organisation. Hence, the employee would be more willing to perform extra-role behaviours, thus increasing the likelihood of organisational citizenship behaviours (Bateman and Organ, 1983; Miles et al., 2002; Smith et al, 1983).

Morrison’s (1994) research supported her hypothesis that the more frequently an employee interacts with his or her supervisor, the more similarly the employee and supervisor will define the employee’s job responsibilities. This could mean that there would not be any role ambiguity or role conflict as the employee clearly knows what is expected of him or her. PDM can also provide one form of interaction that creates an avenue for him or her to clarify any ambiguities or doubts about the job, which can be assumed to build an employee’s self confidence and competence in performing the task. Thus, it could be said that the employee’s self-efficacy is increased and research has proven that high self-efficacy individuals tend to perform well. This, in turn creates positive affect towards the job, hence making it highly likely for the employee to contribute more – thus, creating extra-role behaviours. Therefore, it is hypothesized that:

H5: Self-efficacy moderates the PDM-OCB relationship.

### **3. Methodology**

Employees in the Malaysian private sector have been selected and the individual employee is the unit of analysis for this study. As the purpose of this study is to examine PDM, individuals with jobs that would allow them the opportunity to participate in decision making (Gardell, 1977; Likert, 1961; Scott and Bruce, 1994) were selected, hence, the selection of employees from the middle and top level management staff.

#### *4.1 Sampling Procedure*

The sampling procedure performed was purposive sampling. A pilot study was carried out, prior to the actual survey, among 32 top and middle managers. Three questionnaires were sent to each company requesting the top and middle managers to participate

in this research. This method of collecting data was suggested by the pilot group of managers that were interviewed, as according to them, the rate of response would be higher as there would be a sense of anonymity.

The questionnaires were posted to 1000 companies from the "Annual Ranking Of Malaysia's Top 1000 Corporations" (RAM-DP, 2003) directory. Three blank questionnaires with stamped and self-addressed envelopes were posted to each company, with a cover letter that requested the recipient to get three top and middle level managers from the said company to complete the questionnaires. The completed questionnaires were then posted using the given stamped and self-addressed envelopes. Hence, in total 3000 blank questionnaires and envelopes were posted to 1000 companies. The rate of return was 15.1%, whereby 454 questionnaires were returned. However, 64 blank questionnaires were returned to the researcher while the 57 cases had missing responses were dropped from the whole sample as they could not be corrected. Hence, the sample size was reduced to 333 indicating a response rate of 11.1%.

### *3.2 Measurement and Instrument*

PDM is referred to as the employees' perceived involvement and influence in the decision making process in an organisation that has a direct and indirect impact on their jobs (Lunjew, 1994). The dimensions of PDM were translated into five statements in the form of Likert scales. The responses to the five statements were answered on a scale ranging from 1 to 7, where a score of 1 means that the respondent disagrees very strongly with the statement while a score of 7 indicates that the respondent agrees very strongly with the statement. The Cronbach alpha of 0.76 indicated an adequate internal consistency and reliability of PDM.

The trust items consist of the extent to which the subordinate perceives that his or her superior will assess his or her beliefs and intentions to act with regard to the integrity, competence, consistency, loyalty, openness and respect shown by the subordinate towards the superior. The instrument comprised of 26 statements, adapted from Clark and Payne (1997), pertaining to their perception of their superiors' trust level toward employees. The original questionnaire was adapted to suit this study in which case the words "Most managers" and "Management" were changed to "My manager". This is to gauge the immediate superior's trust level of the respondent. The Cronbach alpha of 0.84 indicated an adequate internal consistency and reliability of trust.

Actual similarity between the superior and the subordinate was measured in terms of ethnic background and gender. Ethnic background discrepancy was coded as the same (1) or different (2). Gender discrepancy was also coded as the same (1) or different (2). The discrepancy scores were divided with their respective standard deviations, summed and then reverse scored. The smaller the score, the greater the demographic similarity.

An individual's collectivist tendencies are based on the behavioural choices that favour group goals in situations where group and personal goals come into conflict. This was measured by using Yamaguchi's (1994) Collectivism Scale that consists of 10 items. Some of the examples include "I sacrifice self-interest for my group" and "I maintain harmony in my group". Thus, the 10 items was summed to form the respondents' allocentrism. However, the Cronbach alpha (0.51) produced low values compared to the respective cut off point of 0.70. This low reliability value is common for instruments that measure culture, such as allocentrism (Voronov and Singer, 2002).

Seven of Schwartz's (Schwartz and Bilsky, 1987, 1990) Individualist Value items were used to measure the respondents' idiocentrism. Respondents were asked to judge these value items on the extent to which they constituted "a guiding principle in my life" in relation to Self-Direction, Stimulation and Hedonism. Some of the examples include "Pleasure (gratification or desires)" and "A varied life (filled with challenge, novelty and change)". Hence, the seven items was summed to form the respondents' idiocentrism. The Cronbach alpha value of 0.67 was below the adequate level of 0.70. A low reliability value for an instrument that measures culture, such as idiocentrism and allocentrism is expected as past literature has indicated so (Voronov and Singer, 2002).

Participation self-efficacy was used as a measure of self-efficacy in this study, as recommended by numerous authors (Stajkovic and Luthans, 1998). The six-item participation efficacy scale was adapted from Vroom (1960) – first four items out of the original five-item scale (for example, "I have confidence in my ability to have a say or influence on what goes on in my department /organisation," "I am confident I can influence the decisions of my immediate superior regarding things which, I am concerned about (particularly those related to my job)") and the Personal Efficacy Beliefs developed by Riggs (Lam et al 2002) – last two items out of the original five-item scale (for example, "I have confidence in my ability to participate effectively" and "I have excellent participation skills"). The items essentially ask

individuals to indicate the degree of participation efficacy they have in their current jobs.

A nine-item scale was used to measure the subordinates' perceptions of LMX (member-LMX). These items, pertain to the superior's understanding of the subordinate's problems and needs as well as recognising the subordinate's potential. The superior's support for the subordinate in terms of helping the subordinate in work matters and bailing out the subordinate when needed. The LMX item also measured the effectiveness of the working relationship, the subordinate's willingness to defend the superior's decision and the satisfaction of the superior of the subordinate's work. The nine items were summed to form the member-LMX composite. The Cronbach alpha value of 0.80 was found for the member-LMX instrument.

OCB was measured by a 16-item statement developed by Smith et al (1983). This instrument measured the extra-role behaviours of respondents. Respondents were required to identify their own instances of helpful, but not absolutely required, job behaviour on a 7-point Likert scale. All of the 16 statements have been reworded to reflect the respondents' own actions. For example, "Punctuality" was reworded to "I am punctual everyday, regardless of weather, traffic, etc" which allow for a more stringent test in order to better capture the main spirit of OCB (Morrison, 1994). The Cronbach alpha value of 0.54 was found for the OCB instrument.

#### 4. Analyses and Results

Nominal and interval data were the two types of data in this study. Nominal or categorical data collected were for gender, ethnic group, highest level of education and job status. The other demographic variables collected were classified as interval or ratio level data. The statistical analysis for analysing the data included descriptive statistics, correlation and moderated regression analysis. The following depicts the variable labels used in this study:

PDM:	Participation in decision making	
OCB:	Organisational citizenship behaviour	
EFF:	Self-efficacy	
TRUST:	Trust	
LMX:	Leader-member exchange	
GENDER:	Superior-subordinate	gender similarity
RACE:	Superior-subordinate ethnic group	similarity

#### 4.1 Respondent Profile

The majority of the respondents were males, comprising 62.5% of the sample. The demographic profile of this study's sample shows that slightly more than half (56.5%) of the respondents' gender is similar with their superior, while 43.5% were different. The ethnic composition of the sample was fairly distributed among the three main ethnic groups where the Chinese group was the majority (38.1%) followed by the Malays (31.5%), the Indian group comprised of 92 respondents (27.6%) and only 2.7% of the sample fell under the Others group. Less than 100 (29.7%) respondents come from the same ethnic group as their superiors whereas majority of the respondents (70.3%) have different ethnic backgrounds than their superiors. The age profile of the sample consisted of three categories. Most of the respondents (67%) belonged to the age group of between 41 to 50 years of age, while only 17% of the sample were above 50 years of age and more than 50 (15.9%) of the respondents aged between 31 to 40 years old. However, none of the respondents were 30 years and below, which is not surprising as the respondents are from middle and top management levels.

The majority (63.7%) of the respondents have a Bachelor's degree and 24.9% of the respondents have a postgraduate degree. Only 9% of the sample has a certificate or a diploma qualification while the remaining 2.4% has qualifications up to the HSC or STPM level. As for the job status, most (80.5%) of the respondents belong to the middle management level while the remaining 19.5% comprised top management staffs.

#### 4.2 Test of Hypotheses

##### Correlation

Pearson correlation was used for the seven-point interval scaled variables and two nominal scaled variables (GENDER and RACE). Result of the correlation indicated that PDM has significant and positive relations with OCB (.138,  $p < 0.05$ ), trust (.393,  $p < 0.01$ ) and LMX (.370,  $p < 0.01$ ). This indicates that as subordinates participate more in decision making, they will also increase their organisational citizenship behaviour, the superiors' trust in subordinates will increase, and the exchange or relationship between subordinates and their superiors will increase as well.

However, only one significant relationship was found for the self-efficacy variable in which case it was related positively with OCB (.302,  $p < 0.01$ ). This result can be interpreted to mean that employees' increase in self-efficacy or as employees' belief in themselves increases, their citizenship behaviour also increases.

Hence, employees with high self-efficacy tend to behave favourably towards their organisations.

Subordinates' perception of their superiors' trust in them was found to not only be related to PDM but also with LMX (.702,  $p < 0.01$ ). Thus, as employees perceive their superiors to have high trusts in them, they also tend to be highly participative (it may be that as superiors place their trust in their subordinates, these subordinates are given more chances for PDM). Idiocentrism had only one significant relationship and oddly enough, it was with employees who have the same ethnic background (.108,  $p < 0.05$ ) as their superiors. This means that employees who are similar with their superiors in terms of ethnic background tend to be more individualistic. Besides PDM, LMX also had the highest number of significant relationships. The final significant relationship is between GENDER and RACE (.160,  $p < 0.05$ ). Hence, employees who are demographically similar with their superiors in terms of gender and ethnic background are related positively.

#### Moderating Regression Analysis

Moderating regression analysis was employed in this study to determine the effect of LMX and self-efficacy as moderators. The model summary of the moderating regression analysis involved LMX as the moderating variable and PDM the dependent variable with TRUST, ALLO, IDIO, GENDER and RACE as the independent variables.

The overall moderating regression analysis of LMX on the PDM-individual relationships produced a modest R square of 0.210. The overall model is statistically significant at the 0.001 level. The ANOVA showed that the  $F$  value of 6.045 was significant at the 0.001 level. Thus, the results can be interpreted to suggest that 21 percent of the variance (R square) in PDM was explained by the moderator, LMX. Although the overall regression is significant, however, the coefficient of the individual factors indicates that none of these variables proved to be significant. Thus, this means that LMX does not moderate any of the relationships between PDM and the individual factors.

The result of the moderating regression analysis with EFF as the moderator in the PDM-OCB relationship indicated that the regression was significant at the 0.001 level. The ANOVA revealed the  $F$  value of 19.401 significant at the 0.001 level. Hence, the result showed that 10.5 percent (R square) of the variance in OCB was significantly explained by the moderating variable, EFF, hence, EFF does moderate the PDM-OCB relationship (with the coefficient value of 0.781,  $p < 0.001$ ).

Hence, the summary of the results of hypotheses testing is as follows:

H1: A relationship between trust and PDM exists  
(supported)

H2: A relationship between PDM and demographic similarity exists. (supported)

H3: A relationship between PDM and idiocentrism-allocentrism exists (partial support)

H4: LMX moderates the overall relationship between the individual factors and PDM. (not supported)

H5: Self-efficacy moderates the PDM-OCB relationship. (supported)

#### **5. Discussion and Conclusion**

In the event of trying to fulfill some needs of the employees by applying PDM, this study has found a few expected and many unexpected results. The result of this study suggests that PDM opportunity is given to subordinates based on how similar the subordinates are with their superiors. The ethnic similarity between the superior and subordinate seems to be one of the factors that determine or influence the superiors to grant PDM opportunities to their subordinates. In other words, the superiors seem to trust these subordinates. The managerial implication is that when managers rely on how similar the subordinates are to them to grant such opportunities, this may result in poor decisions being made, which not only decreases effective performance but may also create resentment from other employees who view the manager as being biased towards some employees.

The research findings showed that LMX did not moderate the respective individual-PDM relationships. This is in contrast with one previous research, which suggested that the quality of subordinates' relationships with their superiors appears to modify the effects of the amount of PDM (Miles and Ritchie, 1971). However, most research have examined LMX as having a reciprocal effect with PDM, rather than a moderating effect. In fact, LMX theory examines the antecedents and consequences of LMX level to more fully describe leader-subordinate relations. Although previous studies have suggested that LMX does have a reciprocal effect, the attempt of this study to investigate the moderating potential of LMX is in line with the purpose of discovering new knowledge. However, LMX was not found to have any moderating effect.

The significant link between PDM and idiocentrism suggests that the managers in this study who participate in decision making tend to have individualistic cultural orientations. This finding is interesting, as it identifies cultural orientations of

higher-level managers in the private sector, which could be used to predict the kinds of tendencies they have that would influence interventions, for example that is aimed at increasing performance. Such a finding differs with past research that provides a cultural description of Malaysians as purely collectivistic, but is in line with others (Ismail, 1988; Tamam et al, 1996) who claim that idiocentrism exists among Malaysian managers.

The significant effect of self-efficacy as a moderator in the PDM-OCB relationship is yet another finding of this study. One probable explanation for this is that middle and top level managers do view links between self-efficacy with PDM and OCB because they have confidence in their own ability to participate (Lam et al., 2002). Bandura (1997) is of the view that individuals who perceive themselves with high self-efficacy are likely to increase their efforts and exceed in their task, which could result in high performance. Being able to perform well would further increase a person's self-belief as well as increase the likelihood of any opportunity for PDM. This is one probable explanation. Another probable explanation is that because majority of the respondents are middle managers, it could be that the amount of PDM involved is substantial or the kind of decisions that require their involvement are of significant importance. This could result in them as identifying links between self-efficacy and PDM.

It is inadvisable to generalise this study's findings to other settings indiscriminately, as it confines itself to top and middle managers in the private sector. Nevertheless, there are some practical implications drawn from this study that should be considered not only by managers in the private sector but also in other organisations in other sectors in Malaysia.

Relying solely on self-report data has its limitations, even though this study was meant to pursue the perceptions of employees on all variables. However, gathering data from the superiors would have provided the difference or similarity of perceptions by both superior and subordinate. Nevertheless, this could prompt future researchers to look into investigating both the superior's and subordinate's perceptions on the variables of interest. A methodological limitation of this study is the use of a cross-sectional research design that prohibits the definitive establishment of cause-and-effect relationships (Gomez and Rosen, 2001).

The fundamental question in this study focused on the assessment of selected individual factors under which PDM can be effective. The assumption was made that PDM would take place among middle and top level managers of the private sector. Hence, several

implications for future research are suggested. Rather than concentrate on the PDM process in the case of this study, researchers could expand their research horizons by focusing on participation in the different levels of decision making. Is participation necessary in all levels of the decision making process or only in a few? If so, what are they and why does it happen?

Self-efficacy is another important area of research. Management scholars and even practitioners have eagerly embraced self-efficacy because of its applicability to work-related performances and organisational pursuits (Stajkovic and Luthans, 1998). As such, it would be interesting to test the extent to which this finding from the West is applicable to Malaysia. In this instance, further work is required to establish factors that enhance as well as hinder the relationship between self-efficacy and work performance. For example, managerial distrust could be a factor that may reduce the magnitude of the relationship between self-efficacy and performance. This is because managerial distrust may increase thoughts of failure and amount of stress and reduce coping mechanisms (Bandura, 1986), which can adversely affect the self-efficacy and performance relationship.

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