

## Implementation of Participative Management to Improve Employee Performance from a Philosophical Perspective

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### ARTICLE INFO

*Keywords:* Participative Management, Employee Performance, Job Satisfaction, Management Philosophy

*Received :* 3 , June

*Revised :* 15 , July

*Accepted:* 29 , August

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### ABSTRACT

This study examines the implementation of participative management from a philosophical perspective to improve employee performance. This study combines analytical descriptive research methods with a qualitative approach . The results of the study indicate that participative management increases employee involvement in decision making, creates a more family-like work atmosphere, and improves communication between leaders and employees. Although no direct relationship was found between participative management and improved performance, increased job satisfaction resulting from participation has been shown to encourage employees to be more productive and support organizational goals. Therefore, organizations are advised to implement participative management by creating an inclusive work environment and open communication to achieve long-term goals

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## **INTRODUCTION**

The goal of participative management is to increase employee involvement, motivation, and performance by involving them in the planning and decision-making of the company. The more autocratic conventional managerial approach, where superiors make decisions largely without considering employee feedback, gave rise to this idea. Improving employee performance is one of the main goals for companies that want to survive and thrive in an era of increasing globalization, as competition among them becomes increasingly fierce.

The main determinant of an organization's success is employee performance. Therefore, many companies are trying to improve employee performance through various strategies, including the use of participatory management. According to research by Ramaswami and Singh (2015), the implementation of participatory management can increase job satisfaction and organizational commitment, both of which can improve employee performance. Participatory management is seen as a technique and philosophy that encourages an inclusive and democratic corporate culture.

One of the main goals of human resource management in many companies is to improve employee performance. Every company must continue to adapt and create efficient management techniques as the commercial world becomes more competitive. Participatory management, which allows staff members to actively participate in the planning and execution of tasks and involves them in decision-making, is one of the increasingly preferred strategies to achieve this goal. Participatory management is expected to improve employee performance, motivation, and satisfaction, all of which will increase organizational production (Dewi & Santosa, 2021).

The basic principles of participatory management include cooperation between superiors and subordinates and employee empowerment. Participatory management can increase workers' commitment to their work and their sense of responsibility, according to Robbins and Judge (2018). However, difficulties in implementing participatory management still exist even though many studies have recognized its benefits. According to several studies, not all companies can successfully implement participatory management, especially if the company culture does not support openness and effective communication (Suyanto, 2019).

As a theory based on management science, participatory management cannot be separated from its philosophical foundation. By considering the concepts of ethics, justice, and freedom, participatory management can be seen philosophically as an attempt to bring harmony between individuals and groups. Philosophy plays an important role in offering a deeper framework for considering management practices that try to achieve balance between organizational and individual goals (Muljadi, 2020). This perspective also connects the ideas of philosophers such as Immanuel Kant and John Rawls, who place a strong emphasis on the values of justice and respect for individual freedom in a social environment, with participatory management.

Understanding the philosophy of work ethics is also important to understanding participatory management. Ethical theories, such as Kant's deontological ethics, emphasize the value of treating employees fairly and with respect as independent individuals. These ethical principles must be considered when implementing participatory management, to ensure that every choice made within the company represents the principles of justice and balance, not just benefiting a few parties (Suryanto & Putri, 2021).

In addition, participatory management must also consider sustainability. Every organizational choice must consider the long-term effects on the social and economic environment, in accordance with the philosophy of sustainability, which is rooted in the ideas of modern philosophers. Therefore, companies must include long-term goals that benefit society as a whole as well as employees when implementing participatory management (Amalia & Susanto, 2022).

Many academics have studied participatory management, and most of them show that employee performance can be improved by their active involvement. Employee satisfaction is positively correlated with performance in businesses that use participatory management, according to Hendri's research (2019). However, Hendri also points out that participatory management requires time and a long process to be able to really have a significant impact, especially in organizations that have a rigid hierarchical structure.

In this case, the philosophy of participatory management is used to evaluate and consider the principles that guide its use. Philosophical ideas can help explain the significance and purpose of implementing participatory management, as well as show the obstacles that organizations face when trying to use participatory principles in policy and decision making (Hermawan, 2020).

However, it is important to remember that not all employees will accept participatory management, especially those who are accustomed to an authoritarian management approach. Workers may feel uncomfortable with participatory initiatives if they feel they do not have the knowledge or expertise to make decisions. Therefore, this study must consider elements such as education, training, and mental readiness of staff members to be involved in decision making (Sari & Wijayanti, 2021).

From a philosophical perspective, participative management also creates room for additional consideration of the idea of employee autonomy. Individual autonomy is a fundamental value that every organization should uphold, according to political philosophy theory. In this situation, the implementation of participative management can be seen as a means to provide staff members with the opportunity to reach their full potential and actively participate in the success of the organization. In reality, there are still many obstacles that must be overcome, especially those related to differences of opinion between leaders and staff regarding the implementation of their respective tasks during the decision-making process.

Therefore, the purpose of this study is to examine the implementation of participatory management in more detail from a philosophical perspective. This study will examine the basic principles of participatory management based on

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philosophical thoughts, and explore how this philosophy can help organizations improve employee performance. In addition, this study will also identify various factors that influence the success of participatory management, as well as the challenges that must be faced in the implementation process.

## **LITERATURE REVIEW**

### *Participative Management*

A managerial strategy known as “participative management” involves staff members in organizational planning and decision making. One of four managerial systems that can be used to strengthen the bond between superiors and subordinates is participative management, according to Likert (1967). This strategy increases employees’ sense of responsibility and loyalty to the company by giving them the opportunity to participate in choices that affect their jobs.

Participative management has been shown to increase employee motivation and job satisfaction (Robbins and Judge, 2018). Employees feel valued and more devoted to the company when they participate in decision-making. This supports the statement made by Dewi and Santosa (2021) that participative management can improve employee performance by strengthening the bond between superiors and subordinates.

However, not all organizations can use participatory management effectively. Suyanto (2019) sees the difficulties faced by organizations when implementing participatory management, especially in businesses with strict hierarchies. However, Hendri's research (2019) shows that companies that successfully adopt participatory management usually have higher levels of employee satisfaction, which in turn improves employee performance.

### *Employee performance*

One of the main metrics used to evaluate the success of an organization is employee performance. Employee performance is influenced by various elements, such as leadership style, job satisfaction, and motivation. Locke and Latham (2002) stated that the main element that influences performance is motivation. Motivated workers usually show higher levels of job satisfaction, productivity, and performance.

Using participatory management is one strategy to improve employee performance. Employee performance can be improved with participatory management because it can foster a sense of ownership and involvement in decision-making, according to Hendri's research (2019). In addition, taking an active part in organizational procedures can increase a person's sense of responsibility and dedication to their work (Robbins & Judge, 2018).

According to research by Sari and Wijayanti (2021), staff readiness and decision-making ability have a significant impact on the effectiveness of participatory management. Workers will be more confident and involved in the participatory process if they believe they can make decisions, which will ultimately result in better performance.

### *Participatory Management in Philosophical Perspective*

Philosophical ideas can enhance the understanding of participatory management alongside the managerial and practical aspects. The ethical

foundations of managerial concepts such as justice, freedom, and respect for human dignity can be found in philosophy. In the context of participatory management, philosophical ideas - especially those put forward by Immanuel Kant and John Rawls - are particularly relevant.

According to Kant (1785), every person should be seen as an end, not as a means to an end. This idea encourages fair treatment and respect for workers' rights to take part in decisions that affect their work within a participatory management framework. This is in line with Rawls' (1971) view which puts forward the principle of justice as fairness, namely providing equal opportunities for every individual to contribute to the decision-making process.

In addition, the concept of participatory management can help resolve the conflict between the desire to provide greater autonomy to employees and the hierarchical organizational structure. The application of participatory management in an organizational environment is closely related to the idea of work ethics, which also emphasizes the value of respect for individual autonomy. Understanding the philosophy of ethics can provide a more comprehensive foundation for implementing participatory management by taking into account social and ethical principles, according to Hermawan (2020).  
*Philosophical Theories Related to Participative Management*

Utilitarian theory and deontological ethical theory are two philosophical frameworks that relate to participatory management. Immanuel Kant developed deontological ethics, which emphasizes that moral behavior should be based on universal moral principles and duties, regardless of the outcome. This principle can be understood in the context of participatory management as the organization's duty to allow employees to participate fairly in decision-making.

On the other hand, according to John Stuart Mill's utilitarian view, the best action is the one that benefits the most people. This kind of participatory management can be understood as an effort to make decisions that benefit all stakeholders in order to achieve mutual welfare between the company and its workers (Amalia & Susanto, 2022).

From this literature review, it can be concluded that participatory management is an effective approach to improve employee performance, especially through empowerment and active involvement in decision-making. However, its implementation requires a supportive organizational culture and employee readiness to participate. Philosophical perspectives, especially those related to ethics and justice, can provide a deeper understanding of the values underlying participatory management practices. Therefore, this study aims to develop a broader understanding of the implementation of participatory management from a philosophical perspective and how this can effectively improve employee performance.

## **METHODOLOGY**

This study combines analytical descriptive research methods with a qualitative approach. Since this study intends to investigate a comprehensive understanding of the use of participatory management and how philosophical ideas can be implemented to improve employee performance, a qualitative

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technique was chosen. Through observation and interviews, a qualitative approach allows researchers to understand the social and cultural background of the events being studied (Creswell, 2014). According to Griffin (2017), an analytical descriptive approach allows researchers to clarify the relationship between variables and dig deeper into the meanings related to the process of implementing participatory management and examine its impact on employee performance while still considering the philosophical values underlying the action.

## **RESEARCH RESULT**

This study shows that employee participation in decision-making is significantly influenced by the implementation of participative management. Participating in the decision-making process makes employees feel more appreciated and responsible for their work results in various contexts. This is in line with Wagner's opinion (1994) which states that participation given by leaders to subordinates can produce more positive results, including in terms of work involvement and motivation.

In addition, the implementation of participative management encourages closer interpersonal relationships and a more family-like work environment, according to the study. These results are consistent with the research of Latwin and Stringer (1968), which highlights how good interactions in the workplace can improve workers' perceptions of the company. In this case, a supportive work environment and a sense of family motivate employees to work more confidently and to the best of their ability, which in turn will increase job satisfaction.

However, there is no strong evidence in this study that participative management and higher employee performance are directly related. This conclusion confirms the findings of previous studies by Miller and Monge (1986), Fisher (1989), and Macy, Peterson, and Norton (1989), which showed that participative management has an indirect effect on performance. Instead, its effect on performance is more pronounced when job satisfaction increases, which encourages workers to support the company's goals and work harder.

In addition, research shows that employees who participate in decision-making have a higher level of acceptance of company policies. Employee involvement allows leaders to better utilize the potential of subordinates in achieving company goals, according to Robbins (2002). Ultimately, this high policy adoption increases work effectiveness at various levels.

It has been proven that participative management encourages more honest and reciprocal communication between managers and staff. Better decision-making and faster problem-solving are made possible by this efficient communication. In addition, the egalitarian relationships formed through participative management make employees feel part of a larger system, which in turn increases their motivation and commitment to the organization.

The findings also show that the main indirect driver of better employee performance is high job satisfaction, which is achieved through the use of participative management. Employees are more likely to give their best efforts

when they feel appreciated and have a positive working relationship with the company. Therefore, although there is no direct correlation between employee performance and participative management, higher job satisfaction resulting from participation is identified as a key factor in helping a business achieve its goals.

## DISCUSSION

### *Employee Involvement in Decision Making*

Employee participation in decision-making, both in small and large groups, appears to increase under participative management. According to Rawls (1971), participation is consistent with the notion of autonomy in moral philosophy, which states that people should feel respected and empowered to make choices that affect their lives. Wagner (1994) asserts that more positive outcomes for individuals and organizations will result from more employee participation in decision-making. This research shows that employees who participate in decision-making are happier and more likely to actively support the goals of the organization.

### *Job Satisfaction and Family Atmosphere*

A family-like environment and strong interpersonal bonds among employees are also enhanced by the use of participative management. This relates to the idea of solidarity in social philosophy, as defined by Emile Durkheim (1893), who highlighted the importance of peaceful social relations in fostering social cohesion within a community or institution. The conclusions from this observation are consistent with those put forward by Latwin and Stringer (1968), who stated that a family-like environment fostered by participative management can enhance self-esteem, increase job satisfaction, and generate favorable sentiments toward the company. Employee performance improves because they feel more comfortable and are inspired to perform better.

### *The Relationship between Participative Management and Employee Performance*

This study did not explicitly find a relationship between participative management and employee performance, despite the fact that participative management increased job happiness. This finding is consistent with the research of Miller and Monge (1986) and Macy, Peterson, and Norton (1989), which showed that participative management has an indirect effect on employee performance. However, within the framework of John Dewey's 1916 pragmatism philosophy, the increased job satisfaction produced by participative management can act as a secondary motivator for better performance. Increased job satisfaction motivates workers to be more dedicated to the company's goals and more productive.

### *Acceptance of Organizational Policies*

Employees who participate in decision-making are more likely to accept company policies. Participation in decision-making increases acceptance of organizational policies and encourages employees to perform better in the workplace, according to Robbins (2002). From a leadership philosophy perspective, this relates to the idea of participative leadership, which emphasizes collaboration and trust between managers and staff, as outlined in

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Bass's (1990) transformational leadership theory. Trust and compliance with company policies can arise from leadership that involves staff members in decision-making.

#### *The Influence of Interpersonal Communication in Participative Management*

Better problem solving and faster decision making are made possible by leaders and staff communicating openly and reciprocally. This idea of open communication is central to Herbert Blumer's (1969) theory of symbolic interactionism, which highlights the role of communication in shaping meaning in social interactions. By fostering more equal relationships and giving workers a sense of ownership of the larger system, participative management can speed decision making and increase organizational effectiveness.

#### *Performance Improvement Through Job Satisfaction*

Overall, these findings imply that although participative management and employee performance are not directly correlated, involvement can indirectly increase job satisfaction, which in turn can lead to better performance. According to Maslow's (1943) theory of the hierarchy of needs, employees' motivation to perform better can be enhanced when their psychological and social needs – such as feeling valued and recognized – are met. Thus, long-term organizational performance can be enhanced through participative management that fosters involvement, recognition, and job satisfaction.

## **CONCLUSIONS AND RECOMMENDATIONS**

This study shows that the implementation of participative management significantly increases job satisfaction, effective communication, and acceptance of organizational policies, although its effect on employee performance is indirect. High job satisfaction through a family-like working atmosphere and employee involvement in decision-making are the main drivers of indirect performance improvement. Therefore, organizations are advised to continue to encourage participative management practices by creating an inclusive work environment, building open communication, and ensuring that employees feel valued, in order to support the achievement of organizational goals sustainably.

## **ADVANCED RESEARCH**

Further research can focus on a more in-depth evaluation of the effectiveness of increasing incentives and their relationship with long-term employee performance at CV Bima. This is important to measure whether increasing incentives not only increases temporary motivation and satisfaction, but also contributes significantly to employee retention and company productivity. In addition, research can be conducted to compare the impact of different work facilities and leadership styles on job satisfaction in other MSME sectors, so that the results of this study can be implemented more widely.

## **ACKNOWLEDGEMENT**

All academicians of Malang State University and fellow students of the Faculty of Economics and Business, Malang State University.

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