

African Journal for the Psychological Studies of Social Issues

Volume 11 Numbers 1 & 2, April and September, 2008 Edition

Founding Editor-in-Chief: Professor Denis C.E. Ugwuegbu,
(Retired Professor of Department of Psychology,
University of Ibadan.)

Editor-in-Chief: Professor Shyngle K. Balogun,
Department of Psychology, University of Ibadan.

Associate Editor: Dr. Benjamin O. Ehigie
Department of Psychology, University of Ibadan.

EDITORIAL ADVISORY BOARD

Professor S.N. Madu	University of South Africa
Professor S.E. Idemudia	University of South Africa
Professor Tope Akinnawo	Adekunle Ajasin University, Nigeria
Professor C.O. Ajila	Obafemi Awolowo University, Nigeria
Professor O.O. Olowu	Obafemi Awolowo University, Nigeria
Dr. P.N. Ibeaghã	University of Ibadan, Nigeria
Dr. A.M. Sunmola	University of Ibadan, Nigeria
Dr. O.J. Osiki	University of Ibadan, Nigeria
Dr. K.O. Taiwo	University of Ibadan, Nigeria
Dr. D.O. Adebayo	University of Ibadan, Nigeria

JOB STATUS DIFFERENCES IN EMPLOYEES' JUDGMENT OF ORGANISATIONAL RESTRUCTURING POLICY EFFECTIVENESS

J.O.EKORE

*Department of Psychology,
Faculty of the Social Sciences,
University of Ibadan, Ibadan, Nigeria.
Email: jekore@yahoo.com*

ABSTRACT

The study was designed to examine employees' status differences on their judgment of organizational restructuring policy effectiveness. The survey research was carried out in three companies in Lagos Metropolis, Nigeria. The companies were restructuring their operations by adopting a Total Quality Management Policy. A total of 217 respondents took part in the study. In the sample size, 146 are male respondents, while the remaining 71 are females.

Questionnaires containing Perceived TOM Implementation Effectiveness (PTIE) scale and demographic characteristics sections were used for data collection.

It was hypothesized that there will be significant differences in employees' judgment of the restructuring policy effectiveness based on their job statuses. The One-way Anova was used to test the hypothesis, which was confirmed by the results obtained ($P < .05$). It was concluded that senior level employees perceived the restructuring policy as effective more than the middle and lower level employees. Decentralisation of authority relations to empower lower level employees was consequently recommended.

Key words: *Employees, Judgment, Organisational Restructuring, Effectiveness*

INTRODUCTION

The contemporary global market place is characterised by a sophisticated demanding customers that want higher quality products and services at lower costs (Ekore, 2001). These expectations prompted organisations to seek ways and strategies for meeting the challenges. Quality improvement therefore became one of the most important organisational restructuring policies in preparing organisations for the 21st century. To achieve this, organisations embarked on strategies that focused on business concepts, which could improve quality without necessarily aggravating cost of production. One of such strategies is Total Quality Management (TQM). As a restructuring strategy according to Kotler (1994), it came in the effort to resolve the conflicting situation of higher quality products and services with

lower prices. This is because there is an intimate connection between product and service quality, customer satisfaction and company profitability. The policy emphasises 'doing the right thing first time' as a continuous improvement process.

In Nigeria, as it is in other parts of the world, the restructuring policy gained increased attention as articles of faith by organisations that want to stay in the competitive race, let alone be profitable. Some major multinational corporations and indigenous manufacturing and service organisations adopted it as a management practice. It became a ready policy by managers considering taking their businesses down the quality road.

As a restructuring policy, TQM requires the total commitment of all employees at all levels in the organisation. Emphasis is placed on the use of all people to bring about effectiveness from within the organisation such that everyone associated with it is involved in the improvement process. However, people's behaviour in terms of performance and cooperation to ensure organisational success is substantially affected by their judgement of what is happening around them. According to James and Jones (1976), it is the employees' judgement of an organisational policy rather than the policy itself that emits attitudinal and behavioural responses such as showing commitment that would bring about its success. Despite the appropriateness of employees at various levels as major stakeholders in judging the effectiveness of organisations policies, not much is available in literature on their assessment of restructuring strategies in Nigeria. This has prompted this study with the objective of examining the status differences in judgement of organisational restructuring policy effectiveness among employees in some organisations operating restructuring policies in Nigeria.

LITERATURE REVIEW

The expectancy theory developed by Vroom (1964), is an approach to motivation which attempts to explain behaviour based on individuals' judgement. The theory helps to explain individual differences in behaviour. It attempts to examine the strength of individual's motivation to behave in particular ways such as showing commitment toward a company policy of restructuring like Total Quality Management.

The theory assumes that behaviour is to some degree rational among employees at various levels and they are consciously aware of their goals or motives. They take into consideration the probable outcomes of their behaviour and place values on such outcomes. The Vroom's theory provides a workable framework for examining employees' judgement about the effectiveness of their organisational policy like the implementation of TQM (Saskin and Kiser, 1991).

According to Glassman (1989), having challenging jobs and opportunities for advancement which characterise differences in job status influence the way

employees perceive and judge the effectiveness of their organisation. This can also be extended to their judgement of the effectiveness of their organisational policy such as restructuring. Marcum (1995) in assessing Quality Management noted that the primary goal is to get the most committed effort possible from the members of the organisation. But Marcum found that employees attachment to job status present obstacle to that objective. This position may be due to the fact that differences exist in power sources for employees at different levels. For example, Koslowsky, Schwarzwald, and Ashuri (2001) found that compliance to power sources appear to be contingent on objective and subjective indices of professional distance between supervisors and subordinates, supervisor seniority in departments or units, and type of promotion (from within or outside department or unit). It can therefore be deduced from the researchers' finding that differences would exist in employees' judgement of organisational restructuring policy effectiveness.

In their critical assessment of organisational members, Bateman and Snell (1999) differentiated employees into senior, middle, and junior- levels. The senior-level employees are responsible for the management of the organisation. They focus more on long-term issues and overall effectiveness of the organisation. They provide the direction through effective leadership by relying much on interpersonal influence processes for other employees to reach the goals of the organisation. Decisions readily flow from them. According to Yukl (1994); Yukl, Falbe, & Joo (1993), effective use of influence is situationally contingent and determines various types of organisational outcomes. Since the senior level employees are more than anything else, expected to provide leadership in an organisational restructuring policy, differences can then be expected between them and employees at other levels in judgement about the effectiveness of the policy. On the otherhand, the middle cadre employees are located in the organisation's hierarchy between the senior and junior level employees. They are responsible for translating the general goals and plans developed by managers into more specific objectives and activities. They also serve as developmental coaches to the junior level workers who are under them. Finally, the junior-level employees are at lowest rung in the organisation's ladder. They are saddled with the responsibility of implementing the daily operational policies of the organisation.

Graham and Benneth (1995), suggested that since commitment of all employees at all levels is central to the successful implementation of any organisational policy, effective link between them is imperative as that could influence their judgement of such policy effectiveness. This could suggest no difference in employees' judgement of an organisation's restructuring policy. However, employees have needs as they work in organisations (Balogun and Ekore, 2002). Part of which is the need for advancement on the job. Therefore, any attempt at wooing employees to bring

about the desired change in their feelings toward the organisation's restructuring policy must also take into consideration their individual differences. This is important because the employees at different levels are involved in the organisational policy in different degrees. For example, the restructuring policy of TQM requires senior level employees to provide the leadership in driving down the principles in every employee. On the other hand, the lower level employees may not necessarily be involved in any decision defining the scope and strategies of operation. Taking employees as a common group without separating them into their various levels may not give a good picture of their judgement of the organisational policy such as restructuring. It can therefore be hypothesised in this study that employees of different job positions would differ significantly in their judgement of organisational restructuring effectiveness.

METHOD

Participants

All participants in the study were both male and female employees from three companies implementing Total Quality Management (TQM) practice policy in Lagos metropolis. The entire sample had 146 males and 71 females. While the average age of the males was 32.7(SD=5.43), that of the females was 31.6 (SD=5.46).

In terms of educational qualifications, 15 of them had the West African School Certificate only. Those with Diploma/National Certificate of Education were 36, while those with Bachelor's degree or Higher National Diploma were 126. Finally, 40 of them had postgraduate qualifications.

According to job status distribution, 40 of them were in the senior category and had spent average of 7.1 years (SD=4.39) with the organisations. Those in the middle category were 156 with average period of 4.1 years (SD=3.41) with the organisations. The junior level employees were 21 and had spent average of 2.9 years (SD=1.96) with the organisations.

The instruments, accompanied with an introductory letter explaining the purpose of the study, and the way anonymity would be guaranteed, were handed to each participant to read and respond as he or she feels. The return rate was high (77.9 %).

Instruments

Questionnaires were used for data collection. Each questionnaire contained two sections of A and B. Section A was used to obtain information concerning each employee's demographic characteristics such as the age, sex, job position, and educational qualification. The section B contains the Perceived TQM Implementation Effectiveness (PTIE) scale, which was used to measure employees' judgement of organisational restructuring policy effectiveness. The scale was developed and

standardised by Ekore (2001). The PTIE scale consisted of five dimensions with 40 items. All the items were rated by respondents on a scale ranging from very effective (1) to not effective (4) in terms of how descriptive they were of respondents' judgement. The five dimensions are: motivation, continuous improvement, commitment, teamwork, and leadership. The validity coefficient for the PTIE scale is 0.79, while the reliability coefficient is 0.92.

RESULTS

The hypothesis in the study, which stated that employees of different job statuses would differ significantly in their judgement of organisational restructuring effectiveness, was tested using the one-way analysis of variance. The result is presented in the table below:

Table 1: A summary of one-way ANOVA showing status differences in judgement of organisational restructuring policy effectiveness.

Variable	Source	SS	MS	df	F	P
Judgment of restr.	B/Grps	27834.2	13917.1	2	12.73	<.01
Effect	W/Grps	233986	1093.4	214		
Total		261821	216			

From the result shown in table 1 [$F(2, 216)=12.73$], the hypothesis was confirmed and accepted. Due to the confirmation of a significant

difference by the one-way ANOVA, it became necessary to do a multiple comparison analysis. This was to determine where the differences existed. The Scheffe multiple comparison test was carried out. The result is presented in the table below:

Table 2: A Scheffe multiple comparison summary table showing the mean difference between junior and middle employees, junior and senior, and middle and senior as a post-hoc test from the one-way ANOVA.

Var.	N	X	SD	Md	
				middle	Senior
Junior	21	117.1	36.67	24.5	44.2
Middle	156	92.6	35.92		19.7
Senior	40	72.8	13.47		

* = mean difference is significant at $P<.05$.

As shown in the Scheffe summary in table 2, the senior level employees had a mean score of 72.8, whereas the junior and middle level employees had mean values of 92.6 and 117.1 respectively:

The mean difference between junior and senior was the largest (1-3=44.2). This was followed by the difference between junior and middle level employees (1-2=24.5). That of middle and senior was 19.7. Nevertheless, mean differences between the levels of employees were all significant at $P < .05$, which is an indication of a confirmation of the hypothesis.

DISCUSSION AND CONCLUSION

Results of the study showed significant differences among employees in their judgement of the effectiveness of organisational restructuring policy. This finding confirmed the predicted hypothesis, which stated that employees would differ according to job status in their judgement of organisational restructuring effectiveness. The senior level employees significantly judged the restructuring policy of their organisations most effective. This finding enjoys the support of Bateman and Snell (1999) in their critical assessment of organisational members. They differentiated employees into senior, middle, and junior-levels. According to them, the senior-level employees are responsible for the management of the organisation. They focus more on long-term issues and overall effectiveness of the organisation. They provide the direction through effective leadership by relying much on interpersonal influence processes for other employees to reach the goals of the organisation. Decisions readily flow from them. The similarity between the present finding and that of Bateman and Snell showed that implementation of restructuring policy in Nigeria, as in some other parts of the world, is more important to senior level employees at leadership positions. As managers or supervisors, they are recognised to be the main force in driving down the culture of restructuring policies to lower level employees. It is therefore not surprising that the finding was in the direction of the hypothesis.

In an earlier work, Balogun and Ekore (2002) reported that employees differ in needs as they work in organisations. Career growth is one of such needs. Senior level employees may have significantly judged the restructuring policy as more effective than both the middle and junior level ones because they participated more in its initiation. Their judgement is a further confirmation of the relevance of Vroom's expectancy theory, which assumes that behaviour is to some degree rational among employees at various levels and they are consciously aware of their goals or motives. As employees work in organisations, they take into consideration the probable outcomes of their behaviour and place values on such outcomes. The theory's support for the finding lends credence to the common saying in Nigeria: "wetin dey for me for the programme" meaning what is in it for me in the programme? Therefore, in examining employees' judgement about the effectiveness of their organisational policy like the implementation of TQM (Saskin and Kiser, 1991), it is not surprising that employees differ according to job status.

The finding in this study also enjoyed the support of earlier positions on employees judgement of organisational policy effectiveness. For example, Glassman (1989) reported that having challenging jobs and opportunities for advancement which characterise differences in job status influence the way employees perceive and judge the effectiveness of their organisation. This can also be extended to their judgement of the effectiveness of their organisational policy such as restructuring. In assessing Quality Management, Marcum (1995) found that employees attachment to job status present obstacle to the primary goal of getting the most committed effort possible from the members of the organisation. This position may be due to the fact that differences exist in power sources for employees at different levels. For example, Koslowsky, Schwarzwald, and Ashuri (2001) found that compliance to power sources appear to be contingent on objective and subjective indices of professional distance between supervisors and subordinates, supervisor seniority in departments or units, and type of promotion (from within or outside department or unit). The difference that was found in employees' judgement of the effectiveness of TQM policy based on job status is therefore not surprising.

The reported differences could be an indication of differences in perceived benefit of the policy. The authority that flows from hierarchical relationships is an important factor to consider in determining the effectiveness of organisational restructuring policy, such as TQM practice. The level of empowerment can be said to differ according to job status in the organisations. It is a common knowledge that part of the cultural values of Nigerians places so much emphasis on hierarchical status. This has been known to run counter to empowerment, which would necessarily make the less empowered employees to rarely judge a restructuring policy as effective. This stems from the high dependency on senior level employees for directives and initiatives that such culture breeds. However, it should be noted that it is not possible to keep all employees at the same level in organisations. But the effect of job status differences which accounted for the reported differences in employees' judgment of restructuring policy can be taken care of by management of organisations in Nigeria. One way of ensuring this possibility is through decentralisation of authority relations to empower lower level organisational members. When this is in place, the employees' judgement of the effectiveness of a restructuring policy in their organisation can be favourable irrespective of job position.

REFERENCES

- Bateman, T.S. & Snell, S.A. (1999). *Management: Building Competitive Advantage* (4th ed.). Boston: McGraw-Hill.
- Balogun, S.K. & Ekore, J.O. (2002). Effect of Employees' Needs and Organisational Design on Perception of TQM Effectiveness. *African Journal of Educational Management*, vol.10, no.1, 217-226.
- Ekore, J.O. (2001). Perception of Effectiveness of TQM Implementation: Employees Needs, Organisational Type and Design as Predictors. *Unpublished PhD Thesis, University of Ibadan, Nigeria.*
- Glassman, E. (1989). Creative Problem Solving. *Supervisory Management*, January, 21-22.
- Graham, H.T. & Benneth, R. (1995). *Human Resources Management*, (8th ed). London: Pitman Publishing.
- Kotler, P. (1994). *Marketing Management: Analysis, Planning and Control* (8th ed). New Delhi: Prentice Hall of India Private Ltd.
- James, L.R. & Jones, A.P. (1976). Organisational Structure: a review of structural dimensions and their conceptual relationships with individual attitudes and behaviour. *Organisational Behaviour and Human Performance*, 16, 74-113.
- Marcum, J.W. (1995). Performance Appraisal vs Quality Management: Getting Past the Paradox. *Proceedings from the International Conference on TQM and Academic Libraries*, Washington, DC, (April), 20-24.
- Saskin, M. & Kiser, K.J. (1991). *Total Quality Management*. Seabrook, Md.: Ducochon Press.
- Vroom, V. (1964). *Work and Motivation*. New York: John Wiley & Sons.