A MODELLING RELATIONSHIP OF EMPLOYEE INVOLVEMENT IN DECISION MAKING AND ORGANIZATIONAL PERFORMANCE: A STUDY OF NIGERIAN INDEPENDENT PETROLEUM COMPANY (NIPCO)

E. E. ONI-OJO – A. O. OSIBANJO – O. O. IYIOLA

Business Management Department, College of Development Studies, Covenant University, Nigeria

Abstract

This survey examines a structural equation modelling of employee involvement in decision making and organizational performance within the Nigerian Independent Petroleum Company (NIPCO). A total of one hundred and thirty five questionnaire were valid and analyzed. Structural Equation Modelling (SEM) was adopted for the statistical analysis using Amos 21 that allows test of complex relationships between variables. Our model shows that close association exists among variables tested and consistent with the organizational performance. However, for organization to record outstanding performance, motivation plays a key factor, and it was revealed that involving employees in decision making tends to motivate them. One the managerial implications of this study amongst others is the need for management and policy makers to make involvement of employees in decision making a policy. This study can be replicated in the service industry such as banking, telecommunication, airlines, insurance, and manufacturing.

Key words: Employee Involvement, Nigeria, Organization, Performance