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**DECENTRALIZED DECISION MAKING AND EMPLOYEES'
GOAL DELIVERIES:
A STUDY OF SELECTED COMMERCIAL BANKS IN LAGOS
STATE, NIGERIA.**

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ABSTRACT

Theoretical and empirical discourse has established the strategic importance of decentralized decision making to the delivery of organization goals by employees, The Nigerian Banking industry has been traumatized by bank failures ranging from issues of poor corporate governance to poor lending decisions that were taken centrally by the bank executives. This has sparked scholars to examine the relationship that exists between decentralized decision making and employees' goal deliveries in selected commercial banks in Lagos, Nigeria. A survey research design was adopted for the study with a sample size of 250 management staff in the corporate office of the three most profitable banks in Nigeria. A questionnaire was adapted, validated and distributed among 250 randomly selected management staff of the selected banks in Lagos State, Nigeria and 205 were found usable. The research instrument was established through Cronbach's alpha reliability test and Confirmatory Factor Analysis with values of each ranging from 0.67 to 0.85 and 0.596 to 0.726 respectively. The findings revealed that there a positive and statistically significant relationship between decentralized decision making and employees' goal deliveries. The regression models as developed were tested along the hypotheses and it was established that Participative Leadership style ($r = 0.221$, $R^2 = 0.049$, $p = 0.001 < 0.05$) and Communication flows ($r = 0.222$,

$R^2 = 0.049$, $p = 0.001 < 0.05$) significantly affected employees' goal deliveries in the selected commercial banks in Lagos state. Employees' commitment ($r = 0.119$, $R^2 = 0.014$, $p = 0.89 > 0.05$) did not have a significant effect on employees' goal deliveries in the selected commercial banks. The study concludes that participative leadership style and communication flows significantly impact on employees goal deliveries in the selected banks while employees' commitment showed no significant impact on goal deliveries. It is therefore recommended that the management of commercial banks adopt decentralized decision making as a competitive edge over their peers.

Keywords: Decentralized decision making, Employees' goal deliveries, Participative leadership style, Communication flow, Employees' Commitment.

INTRODUCTION

The failure of commercial banks in Nigeria according to Sanusi (2010), has been attributed to poor lending decisions made centrally by bank executives and poor corporate governance practice carried out in their operations. Bank executives were seen to benefit themselves and a few elite customers by deciding to approve loans which were obviously bad, before they were apparently disbursed (Sanusi, 2010), with no input from their employees bringing about disorientation in the minds of the employees on the actual vision of the leaders of the banks they worked for. Banks that still stand today exist as a result of careful participative planning at all levels and committed execution of set goals by employees committed to its achievement because they remain in tandem with the banks' visions.

The rapid growth in global banking services has increased the pressure on the Nigerian banks for improved productivity (Fenuga & Oladejo, 2010). As such, the need to drive firms to delegate power or decision rights to improve communication efficiency, productivity and management flexibility in response to the fast changing environment has arisen (Eriksson & Gustavsson, 2013). According to Bashir (2015), decisions made with the participation of all levels of employees increased organizational performance because the lower level employees have greater knowledge regarding the actual realities and critical situations of the organization as well as how it affects the operations of the organization. Organizations today are moving towards more democratic structures, which allow employees' to influence the decisions because of concern for quality and the requirement of a high degree of commitment by employees to their work (Somech, 2010).

Adeyemi (2006) explained that the new banks that arose after the post-consolidation era, lacked flexibility in responding quickly to changing market situations due to their large size, and culture conflicts resulting from the merger arrangement as well as differences in leadership styles. This lack of flexibility resulted in high level of bureaucracy as decision making on the smallest of issues usually have to come from the top leading to frustration of service delivery processes and reduces the speed of the service to be delivered as well as loss of quality time expended in getting approvals to execute transactions which in turn leads to dissatisfied customers (Adeyemi, 2006).

Fincham and Rhodes (2005) posited that poor leadership has been identified as the cause of many massive corporate failures at the beginning of this 21st century. Leaders that do what they want, do not provide support or direction to their followers or even create room for participation of employees in all angles required to achieve goals, always end up with lack-lustre employees (Fincham & Rhodes, 2005) and eventually create leadership gaps in the near future when eventualities occur.

Gordon (2013) explained that when followers do not get support from their leaders or do not have participative encouragement from the people that lead them, the followers become more passive, aggressive, and often tend to leave the organization and, in some cases, the employees may also feel resentful and look for ways to get their managers in trouble, a situation which may lead to paranoia on the part of the manager. This draws home the problems inherent in lack of commitment from employees. This situation is evident as employee-induced fraud cases occur in the banks, due to poor leadership and eventually lead to loss of depositors' funds. Personal goals gradually supersede organizational goals due to lack of involvement of the employees in setting the goals they are expected to achieve and eventually leads to high attrition rate of useful human resource which should be used to gain competitive advantage.

Bashir (2015) highlighted some companies that had benefited from decentralized decision making. Toyota adopted decentralized decision making process as every employee is given the skills, tools and rights to solve problems as they arise and to head off accrued new problems. Now Toyota gets more output and desirable results than its competitor, after many years as a result of decentralized decision making adopted. Google also adopted the decentralized decision making to enhance its employees' productivity. Now the world's famous company is Google because of

its involvement of all managerial levels in the decision making and the commitment of their employees to the company's course (Bashir, 2015).

From the foregoing, the paper sought to evaluate decentralized decision making from the viewpoint of participative leadership style, employee commitment and communication flow by determining (i) The individual relationship and (ii) the joint relationship with employees' goal deliveries. The work is structured as follows; Introduction, literature review, methodology, presentation of results and discussion of findings, conclusion and recommendation.

REVIEW OF RELATED LITERATURE

Decentralized decision making according to Nooraie (2014) is the extent to which different levels of management are involved in strategic decision process. Strategic decisions are the means by which perennially scarce resources are rationally committed to fulfil managerial expectations for success. Nooraie (2014) expects that all managers irrespective of their levels must harness scarce resources rationally to achieve success.

Okojie (2009) refers to decentralization as a process of transitioning from a governance structure in which power is concentrated at the central or national level to one in which authority to make decisions and implement them is shifted to lower levels in order to increase efficiency and allow for greater local participation. One can infer that decentralized decision making is a strategic involvement of decision making power from the topmost level of an organization to its middle and lower levels in order to foster participation of employees of all levels and bring about success of managerial goals.

Centralization versus Decentralization

The degree to which decision-making is centralized or decentralized is a key indicator of the manner in which an organization allocates resources and determines policies and objectives (Pugh, Hickson, Hinings & Turner, 1968). According to Ashraf (2008), decision making is an important function for organizations because the process has to ensure that the chosen alternative has the capability to maximize the return on minimum investment and meet the organizational goals with limited resource utilization. Organizations are shaped by different hierarchical structures where people on different levels in the organization have the authority to take or not to take decisions (Heide, Johansson & Simonsson, 2005). Such managerial hierarchy is common in business organizations and its structure is formed

depending on the environment and type of industry the organization is operating in (Alonso, Dessein & Matouschek, 2008). The structure is also formed based on the size of the firm, the geographical location & spread and the competition in the market (Siggelkow & Levinthal, 2003).

A centralized organization is one where the decisions are made from the top to bring about greater uniformity in decision making process as possible, whereas a decentralized organization is characterized by decision-making lower in the organization which provides opportunities to develop the competence of employees to take decision at lower level and is considered as a useful mechanism to motivate employees towards goal performance (Siggelkow & Levinthal, 2003; Ashraf, 2008). What is important with the type of organizational structure is the difference in how decisions regarding strategies and goal-setting are formed and how the information is communicated to the employees (Siggelkow & Levinthal, 2003).

Centralized decision making has certain positive effects (Kates & Galbraith, 2007), such as supporting commonality by ensuring standardization of products and services and no ambiguity on management's expectation from employees and customers as a result of clarity in rules and directives. On the one hand, it has been suggested that centralized decision-making is integral to the effective and efficient functioning of any large bureaucracy (Goodsell, 1985) as decision making is restricted to the a small number of people at the top.

According to Tullock (1965) and Niskanen (1971), centralization is associated with many of the dysfunctions of bureaucracy, especially rigidity, red tape and abuses of monopoly power. Lipsky (1980) highlighted that bureaucratic controls may lead front-line staff to devote disproportionate time to finding ways to by-pass established decision making procedures, thereby damaging internal and external accountability. Centralization has also been identified as a major de-motivator, because it reduces flexibility and employees sense of responsibility due to the low level of influence on their particular work situations (Locke & Latham 2004; Gerrish, Ashworth, Lacey, Bailey, Cooke, Kendall & McNeilly, 2007).

On the other hand, decentralization is assumed to bring about service rendering improvement by empowering service managers to make service delivery decisions, since effective strategizing is thought to make organizations flexible and "fit for purpose" (Lipsky, 1980). In decentralized organizations, all employees are held accountable for and engaged in decision-making process (Andrews, Boyne, Law, & Walker, 2007).

Lawrence (1983) argues that decentralization is preferable as it promotes development of unbiased standards, provides for initiative, innovation and development of new leaders, shows greater responsiveness to customer's needs, simplifies the decision making process and also minimizes the use of information resources. In industries, such as the Nigerian Banking Industry, where there is a lot of competition, the importance of having decision making close to the customer becomes more imperative in order to meet the customers' needs when units are spread all over the country (Adeyemi, 2016).

Broadly speaking, the core of this disagreement about the internal decision-making structure is summarized in these clear rival positions. Supporters of centralized decision-making suggest that it leads to better performance by facilitating greater decision speed, providing firm direction and goals, and establishing clear lines of hierarchical authority thereby circumventing the potential for damaging internal conflict. By contrast, proponents of more decentralized decision-making suggest that centralization harms performance by preventing management staff of various levels from making independent decisions, enshrining inflexible rules and procedures, and undermining responsiveness to changing environmental situations. The plausibility of both views thus implies that centralization may have inconsistent, contradictory or even no meaningful effects on performance (Andrews, Boyne, Law, & Walker, 2007).

Participative Leadership Style

Ng'ethe, Mike and Namusonge (2012) considers leadership as a relationship through which one person influences the behaviour or actions of other people for the purpose of achieving goals and to maximize goals in the organization. Leadership styles refer to the way leaders behave towards or treat (giving direction and motivating) the individuals they are leading to achieve organizational goals (Ehrhart, 2004). Ushie, Agba, Ogaboh, Agba, & Chime (2010) posit that leadership style entails those characteristics of individual leaders which are typical across situations. It includes the types of control leader's exercise in a group and their behaviour towards group members.

Participative Leadership Style is defined as the process of making joint decisions or at least sharing influence in decision making by the superior or his or her subordinates (Somech, 2005). Johari (2008) who described a participative leader as a leader who encourages the participation of staff in solving problems and decision

making in all daily operational matters. He posits that the roles and contributions of staff are important. The leader will gather opinions, suggestions and feedback from employees before making decision or issuing instructions to the team. Thus, the direction of the team is influenced by the employees' involvement. Ushie, *et al.* (2010) stated that in a participative leadership style, the subordinates are given delegated authority by leaders while retaining the ultimate responsibility.

Participative Leadership style has many potential benefits according to various scholars (Zervas & David, 2013; Nwokocha & Iheriohanma, 2015), which include promoting flexibility, fostering responsibility, encouraging high morale that will result to improved employees' goal deliveries (performance). They posit that this leadership style tends to increase employees' ambition and motivation as well as foster employees' identification, retention in the organization and commitment to the organization. They further argued that since employees are engaged in decision-making, delegation and planning in the organization, there is a tendency for them to be more realistic about organizational needs.

Nemaei (2012) and Nwokocha and Iheriohanma (2015) suggest that because the leader is transferring power to the employees, they feel comfortable with the trust reposed in them which gives them the confidence to build strong cooperation, increased innovation, team spirit, high morale, job satisfaction and expunge any element that will bring in espionage. Participative leadership style is likely to increase the quality of decision making and also improve the quality of employees' work life (Bell & Mjoli, 2014).

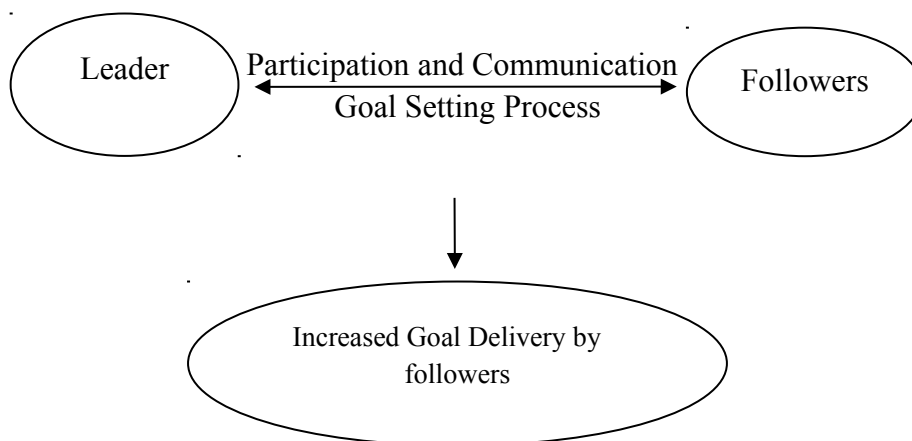


Fig 2.1 Leader/follower relationship in achieving goal delivery (Researchers' Design)

The diagram above explains the researcher suggestion which clearly shows that once a leader encourages active participation of followers in setting of goals which they are expected to deliver on, effective communication lines are opened up as information will flow freely from leader to followers and eventually lead to increase in goal deliveries.

Various studies (House 1971; Bell & Mjoli, 2014; Nooraie, 2014; Nwankwo, 2014) suggest that participative leadership style is a strong predictor in deliveries of goals by employees. Consequent upon the arguments in favour of participative leadership style as a pivotal determinant of goal deliveries by employees, the following hypothesis has been stated:

H₀₁: Participative leadership style does not have a significant effect on employees' goal deliveries in selected commercial banks in Lagos State.

Commitment

According to Allen and Meyer (1995), commitment is the psychological state that could affect employees' decision to stay or leave an organization based on his perceived relationship with the organization. They suggested that commitment has four components – behavioural, affective, continuance and normative. Meyer, Stanley and Parfyonova (2012) however reiterated that workers commitment could take multiple forms, as each state has a different psychological mindset.

Jaja and Okpu (2013) explained affective commitment as the identification with their organization which Yui-Woon and Yui-tim (2017) explain represents a state in which an individual identifies with a particular organization and its goals and wishes to remain tied to it in order to facilitate achievement of its goals. Continuance commitment is assumed to be a function of the rewards and costs associated with organizational membership. This conceptualization is consistent with Becker's argument, as stated by Hafiz (2017) that attachments to the organization are influenced by "side bets," which refers to the extrinsic benefits

accrued that would be lost if membership was terminated (Morris & Sherman, 1981).

Deloria (2001) explained the concept of Behavioural commitment as one that refers to the attributional commitment. She further stated that it involves behaviours that exceed formal and/or normative expectations. Salancik (1977) proposed that behaviours that are explicit, irrevocable, volitional, and public, bind individuals to their behaviours, thus causing greater commitment. A relatively new concept as stated by Bolon (1993) is normative commitment. This fourth type of commitment is viewed as a belief about one's responsibility to the organization. Many researchers (Meyer, Stanley, & Parfyonova, 2012; Jaja & Okpu, 2013) stated that normative commitment is a simple feeling of obligation by employees to retain their status in the organization.

Various studies (Meyer, Stanley, & Parfyonova, 2012; Abdullah & Muhammad, 2012; Okpu & Obiora, 2015) suggest that employee commitment is a strong predictor in deliveries of goals by employees. Consequent upon the arguments in favour of employee commitment as a pivotal determinant of employees' goal deliveries, this hypothesis has been stated:

H₀₂: Employee commitment does not have a significant effect on employees' goal deliveries in selected commercial banks in Lagos State.

Communication Flow

Communication has been identified by Verma (2013), as an important variable that contributes to the failure or success of any organisation. He explained that the quality of communication creates an ideal communication climate which gets influenced by the flow of communication and determined by the type of governance within the organization. The organizational communication flows in different directions: vertical (upward and/or downward) and horizontal.

Various scholars (Walden, Jung, & Westerman, 2017; Larkin & Larkin, 1994) explained the vertical flow of communication as one held between or among people who are on different levels of authority within the organisation and involves downward and upward communication flows of information. They emphasized this mode as the most effective one as it allows effective movement of information from the top to the bottom and vice versa. Horizontal communication flow exists to enhance coordination, when trying to tie together activities within or across departments.

Verma (2013) stated that this horizontal channel of communication permits a lateral or diagonal flow of messages, which enables units to work with other units with no rigid up and down channel interference such as intradepartmental and interdepartmental discussions which he emphasized as more pronounced in a decentralized setting (Walden, Jung, & Westerman, 2017). Consequent upon the arguments in favour of communication flow as a pivotal determinant of employees' goal deliveries, this hypothesis has been stated:

H₀₃: Communication flow does not have a significant effect on employees' goal deliveries in selected commercial banks in Lagos State.

Theoretical Review

The path-goal theory is concerned with how subordinates' perceptions of their work goals, personal goals and paths-to-goal achievement are influenced by their leaders (House, 1971). The path-goal theory suggests that leaders are primarily responsible for assisting followers develop behaviours that will enable them reach their goals or desired outcomes. Variables that impact the most effective leader behaviour include the nature of the task (whether it is intrinsically or extrinsically satisfying), autonomy levels of the followers, and follower motivation (House & Mitchell, 1974).

The Path-goal theory according to House (1971) presents two basic propositions. The first is the need for the psychological state of the subordinates to be enhanced by their leaders in order to promote motivation to perform and be satisfied with their job. The second is that particular situational leadership behaviour will accomplish motivational function. In other words, House (1971) implied that leaders need to be cognizant of the necessary steps to clarify goals, paths to goal delivery, and enhance satisfaction through extrinsic rewards which will in turn lead to subordinates' intrinsic motivation towards delivery of set goals. The theory highlighted that greater clarity of the paths to goals was made possible by the active participation of subordinates in decision making. It explained that subordinates who participate in goal setting select highly valued goals which they desire for the organization. It assumes that when a subordinate has greater autonomy as a result of participation in the decision making, and the ability to carry out the intentions, effort and performance increases. Finally subordinates that participate in the decision process usually become more ego-involved, as they view the decisions made as part of their own (House, 1971). He assumed that participative problem solving between the leader and the subordinate will result in more effective

decisions, when task demands are ambiguous, than when the task demands are unambiguous.

One can infer, based on Path-goal's theory that when decision making is decentralized and active participation of followers and leaders is enshrined in arriving at high value goals, performance of these followers towards the attainment of the organization shall increase tremendously as the followers being ego-involved will have a significantly high commitment level towards achieving the goals. It also explained the need for clear goal achievement paths to be identified and actively communicated appropriately to enable goal delivery performance increase by the followers that participated in setting goals that synchronize with their own personal needs. The theory identified four leadership behaviours: achievement-oriented, directive, supportive and participatory. However, emphasis has been placed on participative leadership and employee commitment as major variables in decentralized decision making in achieving employees' goal deliveries.

METHODOLOGY

This study adopted a survey research design and utilized descriptive and inferential statistics, to investigate the effects of decentralized decision making on employees' goal deliveries in selected commercial banks in Lagos state, Nigeria. The advantages of the aforementioned approaches rest on their robustness in determining the effect of one predictive variable on another variable, as utilized in a study by Hafiz (2017) that surveyed relationship between organizational commitment and employee's performance evidenced from banking sector of Lahore.

The population of the study which consisted of all management staff in the corporate office of the three most profitable banks in Nigeria as analysed by Akanbi (2014) stood at 328 across Zenith Bank Plc (158), GTBank (55) and First Bank Plc (115). Yamane's (1967) sampling formula was used to arrive at a sample size of 250 after applying a 5% minimum margin of error. Stratified sampling technique was adopted in the selection of the employees to be studied because of the heterogeneous characteristics of the study population, which include staff of various managerial levels. Random sampling technique was applied to help determine the number of employees in the respective departments visited with an estimate of 20% proportion applied on the total management staff arrived at based on estimation as the Human resource departments of the banks were unwilling to release information concerning the number of management staff in their respective workforce.

Zenith Bank Plc

$$\begin{aligned}
 n_1 &= 158 / [1+ 158 (0.05)^2] \\
 &= 158 / [1 + 158 (0.0025)] \\
 &= 158 / [1 + 0.395] \\
 &= 158 / [1.395] \qquad n_1 = 113.30 \qquad n_1 = \text{approx. } \mathbf{113}
 \end{aligned}$$

GTBank Plc

$$\begin{aligned}
 n_2 &= 55 / [1+ 55 (0.05)^2] \\
 &= 55 / [1 + 55 (0.0025)] \\
 &= 55 / [1 + 0.1375] \\
 &= 55 / [1.1375] \qquad n_2 = 48.35 \qquad n_2 = \text{approx. } \mathbf{48}
 \end{aligned}$$

First Bank Plc

$$\begin{aligned}
 n_3 &= 115 / [1+ 115 (0.05)^2] \\
 &= 115 / [1 + 115 (0.0025)] \\
 &= 115 / [1 + 0.2875] \\
 &= 115 / [1.2875] \qquad n_3 = 89.32 \qquad n_3 = \text{approx. } \mathbf{89}
 \end{aligned}$$

Total sample size for the study = 113 + 48 + 89 = 250.

The research instrument utilized for the study was adopted from Maruska (2004); Allen & Mayer (1995); Jaros (2007); Westgeest (2011); Leadership Style Survey (2015), adjusted, and the validity and reliability established. Pilot study was carried out on management staff of Ikeja Zonal Office Branch of Zenith Bank Plc. Necessary adjustment to the questionnaire was informed by validity test using confirmatory factor analysis after with variance extracted that ranged from 0.594 to 0.726. The reliability of the instrument was also established with Cronbach Alpha's results that ranged from 0.72 to 0.85. It was self-administered to the respondents.

The factors investigated were measured on a six-point scale with anchors ranging from *Strongly agree* (6) to *Strongly disagree* (1), for the independent and dependent variables respectively. Simple linear equation developed along the dependent and independent. Thus, the models can be represented as follows:

Functional Model

$$Y = f(X)$$

Where

Y = Dependent Variable (*Employees' Goal Deliveries*)

X = Independent Variable (Decentralized Decision Making)

$$X = (x_1, x_2, x_3)$$

$$Y = (y_1, y_2)$$

Regression Equations

$$Y = f(x_1)$$

$$Y = f(x_2)$$

$$Y = f(x_3)$$

$$Y = \alpha_0 + \beta_1 x_1 + \mu \text{ ----- I}$$

$$Y = \alpha_0 + \beta_2 x_2 + \mu \text{ ----- II}$$

$$Y = \alpha_0 + \beta_3 x_3 + \mu \text{ ----- III}$$

Stepwise Regression Model

$$y_1 = \alpha_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \mu \text{ ----- IV}$$

$$y_2 = \alpha_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \mu \text{ ----- V}$$

Where Y: EGD = Employee Goal Deliveries'

y₁: CS = Cost Savings

y₂: SD = Speed of Delivery

X: DDM = Decentralized Decision Making

x₁: PLS = Participative Leadership Style

x₂: EC = Employee Commitment

x₃: CF = Communication Flow

μ = Capturing other variables not explicitly stated in the model

α₀ = Intercept of the regression equation

β₁, β₂, β₃ = are the coefficients to be estimated which shows the relationship between the *S* and the respective explanatory variables of entrepreneurial success. The *apriori* expectations are that with a *p* value of < 0.05; the hypotheses will be rejected. Ethical considerations in line with Babcock University Research Ethical Committee (BUHREC) standards with high levels of anonymity, confidentiality and necessary accreditation of scholarly works utilized.

RESULTS AND DISCUSSION OF FINDINGS

Statistical Package for Social Sciences SPSS was used to analyse the data collected after data verification and cleaning was done. This was necessary to ensure that the data collected are clean, correct and useful. Considering that the data are of the nominal and ordinal types, simple frequency were used for verification and cleaning

of the data. Thereafter, descriptive and inferential analyses were carried out in pursuit of the study objectives.

The table 4.1 below gives a descriptive analysis of the administration of questionnaire which shows that only 205 representing 82% of the administered questionnaire were usable.

Table 4.1. Questionnaire Distribution

Particulars	Frequency	Percentage (%)
Returned	205	82
Not Returned	38	15.2
Invalid/Incomplete	7	2.8
Total	250	100

Source: Field Survey 2017

The table of cross-tabulation of age group, number of accounts and types of account is as presented in table 4.1 below:

Table 4.2 Respondents Characteristics			
Variable	Characteristics	Frequency	Percentage
Gender of Respondents	Male	93	45.4
	Female	112	54.6
Position of Respondents	Lower Management	37	18
	Middle Management	125	61
	Management	23	11.2
	Senior Management	20	9.8
Length of time in Marriage	1 – 5yrs	27	13.2
	6-10yrs	69	33.7
	11-15yrs	74	36.1
	16 – 20yrs	24	11.7
	Above 20years	11	5.4

Source: Field Survey 2017

Profile of levels of management of the respondents can be viewed as stated in Table 4.2. Findings revealed that responds from staff in the middle management cadre are 125 representing 61%. Respondents in lower management are 37 representing 18%. While respondents in the management and senior management cadre are 23 and 20 respectively representing 11.2% and 9.8% of the total sample size.

Profile of length of service of the respondents can also be viewed as stated in Table 4.1 above. Findings revealed that respondents who had served their banks for between 6-10 years and 11-15years were more present in the survey representing 33.7% and 36.1% respectively with absolute figures as 69 and 74. Respondents who have served for 1-5years are as many as 27 representing 13.2%, while respondents who have served for 16-20years totalled 24 representing 11.7%. Only 11 respondents fall with service period of 20years and above, representing 5.4% of the total sample size.

Hypothesis One: Participative Leadership style (PLS) does not have a significant effect on employees’ goal deliveries in selected commercial banks in Lagos state.

Table 4.3		Regression Result for Hypothesis one				
Participative Leadership Style and Employees’ Goal Deliveries						
Model One		Unstandardized		Standardize	T	Sig.
Y = $\alpha_0 + \beta_1\text{PLS} + \mu$		Coefficients		d		
		B	Std. Error	Beta		
1	(Constant)	35.124	4.186		8.391	.000
	PLS	.214	.066	.221	3.221	.001

r = 0.221, R² = 0.049, p = 0.001 < 0.05

a. Dependent Variable: EMPLOYEES’ GOAL DELIVERIES

Source: Field Survey 2016.

Interpretation

The table 4.3 above shows the result of the test between participative leadership style and employee goal delivery. The analysis was to test the hypothesis that says participative leadership style does not have a significant effect on employees’ goal delivery. From the table, the result shows that r = 0.221 which can also be represented as 22.1%, indicates that there is a weak correlation between the two participative leadership style and employee goal delivery. By implication, as participative leadership efforts improves in the organization, employee goal delivery also increases by 22.1%. The R² = 0.049 or 4.9% which indicates the

extent to which participative leadership style can account for the variation in employees goal delivery. So from the coefficient that we have, 4.9% change in employee goal delivery can be explained by participative leadership style. In the area of the regression equation model, the equation is given as:

$$EGD = 35.124 + 0.214PLS$$

This equation above signifies the regression equation that can be used to estimate the value of employees' goal deliveries at different levels, a unit change in participative leadership, leads to a 0.214 unit increase in employees' goal deliveries. Furthermore, looking at the p value which is given as 0.001, the result shows that it is less than 0.05 alpha levels, therefore the null hypothesis shall be rejected and a conclusion passed clearly stating that participative leadership has a significant effect on employees' goal delivery.

The findings are consistent with the study of House (1971) that established that participative leadership style was more acceptable than non-participative leadership as it resulted in employees revealing greater ego-involvement in carrying out their job roles and higher satisfaction level of subordinates.

Also, the study of Ojokuku and Sajuyigbe (2014) is in consonance with our findings. They examined the effect of employee participation in decision making on performance in selected SMEs in Lagos. Their findings showed that when employees participated in decision making, a significant impact was observed in the organizational performance of the SMEs. They concluded that the increase of employee participation in making decisions positively impacted on the growth and potential for survival of the SMEs.

Relating our findings to other studies, the work of Bell and Mjoli (2014) examined the effect of participative leadership on organizational commitment, and the study revealed that a manager's leadership style creates a culture in the organization that can foster subordinates commitment to the services' delivered. The study concluded that participative leadership style should be adopted in order to increase their subordinates belief and acceptance of the goals and values of the organization.

Also, Nwankwo's study (2014) agreed with our findings too. He investigated students' participation in decision making as an effective strategy for educational leadership in secondary schools in Nigeria. His study found that participation of students' in decision making facilitated supervision, enhanced quality educational

leadership, ensured commitment to school goals, led to collective responsibility of students and their leaders and encouraged collaborative school leadership.

Hypothesis Two: Employee Commitment does significantly stimulate employees’ goal deliveries in selected commercial banks in Lagos state.

Employee Commitment and Employees’ Goal Deliveries						
Model $Y = \alpha_0 + \beta_3 EC + \mu$		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
2	(Constant)	43.204	3.152		13.705	.000
	EC	.114	.067	.119	1.711	.089

$r = 0.119, R^2 = 0.014, p = 0.89 > 0.05$
a. Dependent Variable: EMPLOYEES’ GOAL DELIVERIES

Source: Field Survey 2016.

For the hypothesis two, the test was to evaluate if employee commitment significantly stimulates employees’ goal delivery. The correlation test coefficient given as $r = 0.119$ or 11.9% depicts a weak correlation between employee commitment and employee goal delivery. The $R^2 = 0.014$ or 1.4% this shows that employee commitment has a small impact on employee’s goal delivery. The regression equation is given as:

$$EGD = 43.204 + 0.114EC$$

From the regression line equation, it shows that a unit increase in employee commitment leads to a 0.114 increase in employee goal delivery. Although the analysis shows that employee commitment impacts on employee goal delivery, the significance figure is above 0.05 which signifies that the estimate or analysis between employee commitment and employee goal delivery is not significant. Therefore, the null hypothesis that has been proposed for the relationship between the two variables will have to be accepted.

This finding contradicts the findings of various studies that observed a significant relationship between employee commitment and employees’ goal deliveries. The study of Abdullah and Muhammad (2012), found that employee commitment in the

banking industry in Pakistan was enhanced by participation in decision making process and job security in attaining performance of organizational goals as it created a friendlier work environment. Our study which was carried out in the Nigerian banking industry contradicts the results of this study. This inconsistency could be attributable to the geographical location as well as the cultural disposition of the employees investigated.

Also, Okpu and Obiora (2015) examined the association of two way communication and employees' commitment of all staff levels in the south-south region of the Nigerian banking industry. It revealed that employee performance improved when they were allowed to have face to face interactions with their managers, as team building and commitment levels became stronger. Our findings also contradict the results of Okpu and Obiora (2015), as it was carried out in the south-west region of Nigeria and concentration was on management staff levels only. This could have resulted from the level of employees surveyed, as other factors could enhance commitment levels of management staff surveyed in our study.

Hypothesis Three: Communication Flow does significantly affect employees' goal deliveries in selected commercial banks in Lagos state.

Table 4.5 Regression Result for Hypothesis two						
Communication Flow And Employees' Goal Deliveries						
Model Two $Y = \alpha_0 + \beta_2CF + \mu$		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	39.188	2.909		13.471	.000
	CF	.181	.056	.222	3.243	.001
r = 0.222, R ² = 0.049, p = 0.001 < 0.05						
a. Dependent Variable: EMPLOYEES GOAL DELIVERIES						

Source: Field Survey 2016.

From the results as stated in table 4.5 which sought to test the effect of communication flow on employees' goal delivery. The correlation value which is given as r = 0.222 or 22.2% implies that there is a weak correlation between communication flow and employees goal delivery. It, thus suggests that as communication flow in the organization improves, then employees' goal deliveries too will increase by a small margin. Looking at the R² = 0.049 or 4.9%. This

signifies therefore that communication flow can account for 4.9% change or variation in employees’ goal delivery. The regression equation extracted from the analysis is thus given as:

$$EGD = 39.188 + 0.181CF$$

From the equation, a unit change in communication flow has a 0.181 unit increase in employee goal delivery. Also looking at the p value of the analysis which is given as 0.001 which is less than 0.05, as such the null hypothesis was rejected and the conclusion is that communication flow has a significant effect on employee’s goal delivery.

From the analysis conducted above, it was established that there is a significant relationship between communication flow and employees’ goal deliveries. This finding is consistent with our expectations as stated in our a priori expectations. These findings substantiate the findings of Verma (2013) that carried out a study on the relationship that exists between communication climate and internal patterns of communication. He concluded that focus on communication helps better understanding of the senior management’s role in organization’s communication as well as steers all the other kinds of communication and activities.

Also, the study of Cetin, Karabay and Efe (2012) also supports our findings. They focused their study on the leadership style and communication competency of bank managers. They found that communication competency has a strong impact on job satisfaction which could motivate employees in achievement of organizational goals. The study of Lunenburg (2010) corroborates the findings of our study. His study laid emphasis on the validity of communication flow patterns and its ability to enhance employee performance.

From the findings identified above, they are in agreement with the findings of this study which shows that there is a significant relationship between communication flow and performance. It is also worthy of note that communication flow can be regarded as the life line of every organizations existence.

Decentralized Decision Making and Speed of Delivery

Table 4.6 Contribution of decentralized decision making variables on speed of delivery				
Model	Unstandardized	Standardize	t	Sig.

SD = $\alpha_0 + \beta_1\text{PLS} + \beta_2\text{EC} + \beta_3\text{CF} + \mu$		Coefficients		d		
		B	Std. Error	Beta		
1	(Constant)	19.668	1.514		12.991	.000
	CF	.093	.029	.220	3.217	.002

$r = 0.220$, $R^2 = 0.049$, $p = 0.002 < 0.05$
a. Dependent Variable: GDSD

Source: Field Survey, 2016.

The Table 4.5 shows the impact of decentralized decision making variables on speed of delivery. The analysis was done using stepwise regression analysis in SPSS 23.0. Looking at the analysis, it was found that only communication flow has a significant impact on speed of delivery. Therefore looking at the correlation value which is $r = 0.220$, it can be said that communication flow has a 22% correlation with speed of delivery. The $R^2 = 0.049$ which shows that communication flow has a 4.9% impact on speed of delivery. This variable was included because the p value is given as 0.002 which is less than 0.05.

Model	Beta In	T	Sig.	Partial Correlation	Collinearity Statistics Tolerance	
1	PLS	.093 ^b	1.228	.221	.086	.812
	EC	.118 ^b	1.638	.103	.114	.903

a. Dependent Variable: GDSD
b. Predictors in the Model: (Constant), CF

Source: Field Survey 2016.

This Table 4.6 shows the variables that were excluded from the stepwise regression. They were excluded because their p value shows that they have no significant contribution to speed of delivery. The variables are participative leadership style and employee commitment with p values of 0.221 and 0.103 respectively which are greater than 0.05 alpha level.

Decentralized Decision Making on Cost savings

Table 4.7 Contribution of Decentralized Decision Making Variables on Cost Savings						
Model $y_1 = \alpha_0 + \beta_1 \text{PLS} + \beta_2 \text{EC} + \beta_3 \text{CF} + \mu$		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	16.039	2.563		6.259	.000
	PLS	.128	.041	.215	3.138	.002

$r = 0.215, R^2 = 0.046, p = 0.002 < 0.05$
a. Dependent Variable: GDCS

Source: Field Survey, 2016.

The Table 4.7 above shows the stepwise regression test showing the contribution of centralized decision making variables on cost savings. From the stepwise regression involving the three independent variables, only participative leadership style proved significant. The $r = 0.215$ which signifies that though it is low, yet there is a significant correlation between participative style and cost savings. The $R^2 = 0.046$ which means that participative leadership style has a 4.6% impact on cost savings.

Table 4.18 Excluded Variables^a in terms of Cost Savings						
Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics Tolerance
1	CF	.101 ^b	1.337	.183	.094	.812
	EC	-.006 ^b	-.088	.930	-.006	.941

a. Dependent Variable: GDCS
b. Predictors in the Model: (Constant), PLS

Source: Field Survey, 2016.

The variables that were excluded from the stepwise regression are what we have in this table. They were excluded because they have no significant contribution to cost savings. This implies that they are not fit for the stepwise and that is why they were excluded. Their p values respectively are 0.183 and 0.930 for communication flow and employee commitment.

CONCLUSION AND RECOMMENDATIONS

From the analysis, positive significant relationship exists between participative leadership style and employees' goal deliveries. This is evident as the coefficient of determination value obtained in the analysis confirms our conclusion and is in tandem with our expectations. However, employee commitment does not have any effect on employees' goal deliveries. Our results have revealed this, as our p value is greater than 0.5. This result is contrary to our expectation. Though employee commitment may be critical to achievement of goal deliveries, it may not be a dominant problem in the banks under study at that point in time. The result of the step wise regression showed that participative leadership style which is a measure of decentralized decision making contributes to employees' goal deliveries.

Although the debate is still ongoing, and may likely continue, decentralized decision making is recommended for use in all organizations. The study suggests that participative leadership style enhances the quality of the teams and made the delivery of goals seamless especially within the marketing departments of the commercial banks understudied. Therefore, this study recommends that participative leadership style should be adopted across all departments in the banks. This will help groom lower level managers in preparation for bigger responsibilities in their career life.

The study suggests that employee commitment may not be very important to the delivery of organizational goals; however, it is necessary to note that the commitment levels of every employee should be considered in order to attain increased goal deliveries'. Further studies too should be carried out to explore ways of improving commitment levels of the work force in the Banking industry. Variables such as motivation trust and teaming should be considered extensively as possible driving forces that aid the delivery of the organizational goals.

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