

Impact of Innovative Employee Relationship Practices on Employee Performance in Refurbished Goods Industry at Bengaluru

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Abstract

All the companies are looking at change as an opportunity to establish themselves as a corporate leader in the industry. As we can see the growth of the industries in India it's capturing the global scene and showcases a complete talent hub for the global industry standards. In order to achieve these some Indian companies are coming up with unique innovative HR practices to reduce attrition and increase retention of the employees. Beyond all, refurbished industry is a new concept which differs from second hand or already used products. This industry changes the components or parts for the products which are unused and returned by the customers due to unsatisfactory quality. These kinds of business are gaining importance, off late.

This particular study concentrates on the employee relationship practices and links with employee performance in the refurbishment company. In all probability good practices motivate employees to work better in the organization and finally the results are good performance. So the study makes an effort to understand the employee relations practice as intervening variables with the employee performance as an ultimate outcome. Some independent variables chosen are HR practices, leadership styles, shared goals, Learning and development and employee growth. Finally the study mulls that good employee relation practices do impact employee performance.

Key Words: Shared goals, learning and development, intervening variables, employee performance.

Introduction

At the volatility, uncertainty, complexity and ambiguity (VUCA) world when businesses are changing its practices, it is good to have a cordial atmosphere in the organizations (workplaces) to retain key talent. On the other hand, companies are struggling to maintain the employees because of industrial revolution are happening because of too much of technological disruptions in all the fields of business. Each and every company is coming with innovative ways to hold on to its key employees. In the case of manufacturing industries it is very important to run the plant without hindrance to meet the objectives of the customers.

The important point is employee relationship management practices in a different way to match to the new requirements of employees. The employee relationship practices are shared among the employees of the organization for their well being and happiness. Many research papers speak about proper communication is the key for maintaining harmonious relationship among the employees. Another important point is the trust for the employees and whenever any point is expressed in any discussion a good thought needs to be given on to that. Moreover, all efforts must lead to change the perception of employees when a new program is introduced. Many HR managers are asked to put efforts to capture employee satisfaction in the work environment, but man always thinks the other side of the grass is always green and tries to move out from the existing environment.

Well, in order to maintain job satisfaction and good harmonious relationship at the work places, managers and supervisors involve employees and prepare action plans which are changed annually for providing best of employee requirements. Moreover, fortune 50 companies have always suggested treating employees as internal customers. In fact, most of the employees have come up with best practices of open communication model for reaching to the employees. In the meantime, many authors have mentioned about good employee relationship practices have attained value based citizen behaviors with right attitude and clear accountability. Some of the organizations have encouraged employees by providing right kind of rewards.

Literature Review

Zhang YingYing(2012),this paper states about the performance management system impact on the employee performance. The main motive of this study was to define the performance management system, employee performance measurement and the connection between the performance management system and employee performance. Performance management sets standards for the employees and motivates them to perform better than before which leads to the achievement of the organization objectives and goals. This paper is a limited study as it is done in United States and others cannot use it directly in their country as every country has its own culture, environment, policies and procedure to follow while conducting the performance management in any organization. So, others can refer this study only and have to conduct their own study according to their country perceptive and nature.

Muhammad Shalzad Chaudhry et al.,(2013), the study is to comprehend the importance of employee relations and performance management association. Does one factor is affecting the other factor for the employees in the organization. Employee relation is about the behavior of the business entity towards the issues that are faced by employee in the areas of compensation, health and safety, performance management, communication. The sub factors like discipline, managing conflicts among the unions, training, benefits, participative leadership and motivation are also to be considered for measuring the performance management. The sub factors like handling of conflicts, participative leadership, training, and motivation show the positive correlation with each other when the analyses were performed. When employee performance and employee relation taken as variables. It exhibits the moderate positive correlation among the variables considered for conducting the test. By taking up the research the author states that the employee relation variable is having direct or indirect impact on the employee performance in their work.

A.HSequeira and ApoorvaDhriti(2015), in the research paper is about the employee's relation and its impact on their performance. In every organization the employees are very important and are treated as a valuable asset. This study focuses on employee related practices understanding, underlying assets and issues on the employee performance in Kavya Solutions, Bengaluru. Here

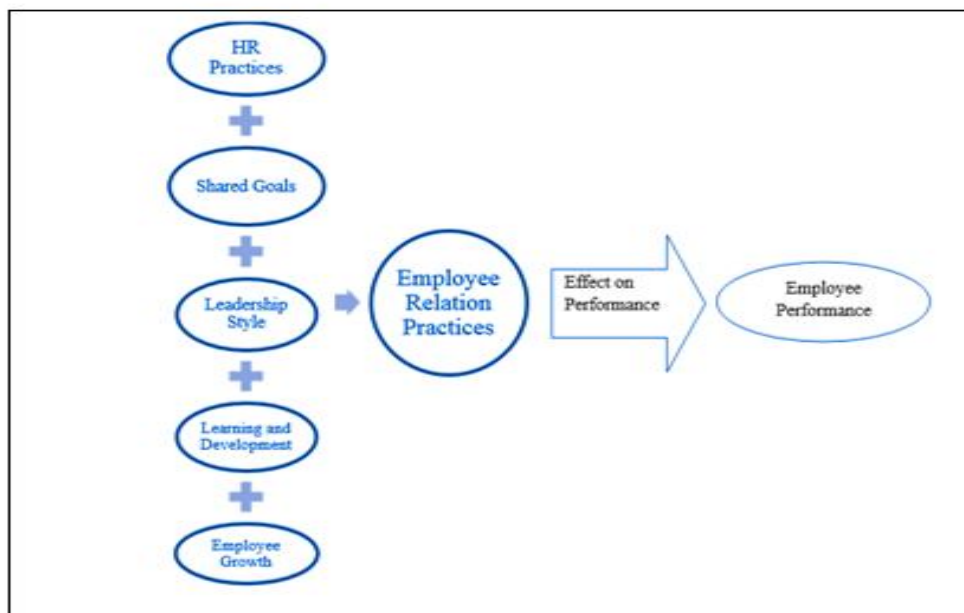
the connection between employee relation factor and employee performance are taken to test the hypothesis. The researcher in this paper tried to understand the employee relations importance; factor related to employee relations and also conducted the analyses on employee relations on their performance. The employees agreed that the resources provided by the organization will have direct impact on their performance and by having a good resources their performance has also been increased which lead in an effective performance management in the organizations. The fair policies and practices have impacted positively in the organization.

Judy Muthoni Maina(2015), study describes about the effective performance management system on the employees performance in the food and agriculture organization. The main objective of this paper was to analyze the impact of the performance management organizations employee performance. The perceptions of every organizations employee towards the performance management practices are very important and it also motivates them to work hard for achieving the organizations goal. This study was conducted through FAQ methods where the employees themselves answered all the questions by their experiences in the organization. The result here states that the performance management system done in the food and agriculture organization are not so good and need to improve its method for motivating the employees to perform better which will lead to the organization success.

Charlene Ivy M. Bacong, Hadge A. Encio (2017), the researcher wants to recognize the effect that employee relation can make on employee performance. The organizations are totally depended on the human resource for effective and efficient manner. So the firms must promote and try to maintain the working relationship. The job performances are directly or indirectly depends on the relationship that is maintained within employees in the firm. The performance of the employees is always linked with personal management, behavior. The performance is very much important for the overall improvement and growth of the firm. The paper objective is satisfied by the correlation table where it demonstrates that activist relation among the employee relation and performance of the employee in the entity. The researcher recommends have a training session to be conducted to better employee relation and performance.

Dr. Janes O. Samwel(2018), the paper here mentions that firm can get good relation with employees as an outcome of highly motivated, loyal and committed character with in the employee. The research came out with the result that unfair practices have lead to not a good employee relation so they have to improve the fair labor practices for better relationship of employee. The study is to analyze how the employee reaction is having the impact on organization performance as well as employee performance. The research finds that poor employee relation is due to insufficient salary, work conditions. Employee relation is depended on the working morel of employees, discipl line, and work commitment. The employee relation is having the high impact on the productivity of business entity. The study reveals there is all the time relationship that exists between the employee relation and performance and also business development is depended on the same. The recommendation stated is to have fair labor practices for betterment of business firm.

Proposed Research Model



The model proposes the concept of HR practices which comprises of good motivational programs and training with open book management practices in which a holistic development of focus. Shared goals are those which are disbursed at the workplace so that each employee completely understands what they are working for. Leadership style in the present environment at work atmosphere is more seen as supportive and transformational so that the expected tasks are completed as per the schedule. Learning and development is a continuous process and well integrated with the system. Employee Growth is visualized as when the standards and target are met, how well the organization promises for climbing the next step in their careers. All the chosen variables are clubbed under an intervening variable called employee relation practices which has an effect on employee performance.

OBJECTIVES

- To analyze the practices of employee relations for refurbished goods industry.
- To examine about the select factors like HR practices, shared goals, leadership style, learning and development opportunities and employee growth.
- To establish linkages between employee relations practices and employee performance.

RESEARCH METHODOLOGY

The present study falls equally under descriptive research and exploratory research as its focal point is on a concept principally associated with employee relations which tries to identify with the extent of employee performance in the organizations. The study comprises primary data collected through structured questionnaire.

Sampling: The sample size is totally of 203 respondents. Sampling technique utilized here is domain. The study includes employees who work in the same business firm in different shifts.

Sampling area: The data was collected in the location called KIADB area Jigani, Anekal Taluk, Bengaluru.

Tools used for Analysis: Simple Percentage Analysis, Multiple Correlations, linear Regressions and Chi-square tests were used for analyzing the data. The data was fed into IBM SPSS 20 software package for treatment.

Time duration of data collection: August and September 2018 was used for data collection.

Variables chosen: HR practices, shared goals, leadership style, learning and development opportunities, employee growth and employee performance.

Hypotheses

H₁₁ There is significant impact of employee relations on HR practices.

H₁₂ There is significant impact of employee relations on shared goals.

H₁₃ There is significant impact of employee relations on leadership style.

H₁₄ There is significant impact of employee relations on learning and development opportunities.

H₁₅ There is significant impact of employee relations on employee growth.

H₁₆ There is significant impact of employee relations on employee performance.

DATA ANALYSIS AND INTERPRETATION

Table 1: Case Processing Summary

		N	%
Cases	Valid	203	100.0
	Excluded ^a	0	0
	Total	203	100.0

Table 2: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.823	.823	17

Reliability Statistics: The reliability co-efficient is 0.823 the numbers are close to 1. Usually the coefficients should be higher than 0.7 which are considered as contain excellent consistency. Therefore the end result of the table (Table -2) shows 0.823 and hence the data is reliable and considered for further treatment.

II Demographic Details of the Respondents**Table 3: Profile of the Respondents**

Variables	Categories	No of Respondents	Percentage
Gender	Male	193	95.1
	Female	10	4.9
Age	21-25	122	60.2
	26-30	27	13.3
	31-35	30	14.7
	36-40	24	11.8
Monthly Income in Indian Currency (Rs)	11,000-15,000	62	30.5
	16,000-20,000	41	20.2
	21,000-25,000	55	27.3
	26,000 and 30,000	30	14.7
	31000 and above	15	7.3
Education	SSLC	54	26.6
	Pre University	70	34.4
	Diploma	22	10.8
	Bsc	31	15.3
	M.Sc	23	11.4
	Others (BE, etc)	3	1.5
Marital Status	Married	107	52.7
	UnMarried	96	47.3
Designations	Quality controller	62	30.5
	Technical assistant	51	25.3
	Software assistant	46	22.6
	Supervisor	37	18.2
	Managers	7	3.4

Interpretation:

The respondents profile has different variables; the first variable is gender under which 95.1% of them are male whereas the remaining is female. The second variable dimension is age, here 60.2% of the respondents belongs to age group of 21-25, the second highest is 31-35 age category with 14.7%. The next variable is monthly income, in this category major chunk of employees belong to the income bracket of 11,000 to 15,000 with 30.5%. Under the qualification as a variable respondents have Pre University at higher rate with 34.4% the least in the category is respondents having other qualifications with 1.5%. The next variable parameter is marital status; where in married respondents are more in number with 52.7%. The last variable considered for respondents profile is designation. In this variable quality controllers are more in number with 30.5%, the next highest is Technical assistants with 25.3% and least is managers with 3.4%. This is an overview of profile of respondents which is shown in the table above.

Table: 4 Chi square tests

Variable 1	Variable 2	Chi square value	P value	Results
Employee relations	HR practices	296.407	.064	Accepted
Employee relations	Shared goals	159.763	.000	Rejected
Employee relations	Leadership style	151.093	.000	Rejected
Employee relations	Learning and development opportunities	125.838	.002	Rejected
Employee relations	Employee growth	254.302	.073	Accepted
Employee relations	Employee performance	254.302	.000	Rejected

Correlations Table -5

	Employee relations	HR practices	Shared goals	Leadership style	Learning and development opportunities	Employee growth	Employee performance
Employee relations	Pearson Correlation 1	.411**	0.175	0.266	.322**	0.339	0.263
	Sig. (2-tailed)	0	0.069	0.009	0.003	0	0
	Sum of Squares and Cross-products 524	256	121	193	213	273	223
	Covariance 4.943	2.382	0.925	1.804	1.991	2.664	3.266
	N 203	203	203	203	203	203	203
HR practices	Pearson Correlation .411**	1	.359**	.399**	0.462	.431**	244**
	Sig. (2-tailed) 0		0	0	0	0	0
	Sum of Squares and Cross-products 256	692.548	243.657	352.213	332.38	421.731	432.712
	Covariance 2.383	6.362	2.184	3.301	3.19	3.941	3.122
	N 203	203	203	203	203	203	203
Shared goals	Pearson Correlation 0.176	.358**	1	0.26	.268**	0.423	0.346
	Sig. (2-tailed) 0.059	0		0.007	0.005	0	0
	Sum of Squares and Cross-products 100	233.657	613.435	225.324	190.491	391.287	346.842
	Covariance 0.935	2.184	5.734	2.021	1.78	3.648	2.472
	N 203	203	203	203	203	203	203
Leadership style	Pearson Correlation .249**	.398**	.260**	1**	.522**	.527**	422**
	Sig. (2-tailed) 0.009	0	0.007		0	0	0
	Sum of Squares and Cross-products 195	363.213	316.324	1433.88	516.046	646.065	626.043
	Covariance 1.803	3.301	2.023	10.597	4.739	6.029	5.399
	N 203	203	203	203	203	203	203
Learning and development opportunities	Pearson Correlation 0.216	0.447	0.332	.524**	1**	.530**	422**
	Sig. (2-tailed) 0.025	0	0	0		0	0
	Sum of Squares and Cross-products 184	432.482	300.067	504.046	823.214	552.898	433.332
	Covariance 1.702**	4.022	2.805**	4.729	7.695	5.166	4.322

	N	203	203	203	203	203	203	203
Employee growth	Pearson Correlation	0.216	0.477	0.335	.521**	.528*	1**	520
	Sig. (2-tailed)	0.026	0	0	0	0		0
	Sum of Squares and Cross-products	189	464.481	327.037	506.046	864.213	546.897	543.98
	Covariance	1.601**	4.014	2.604**	4.730	7.691	5.165	4.123
	N	203	203	203	203	203	203	203
Employee performance	Pearson Correlation	0.216	0.473	0.325	.521**	.528*	.468	.324
	Sig. (2-tailed)	0.026	0	0	0	0	0	1**
	Sum of Squares and Cross-products	169	464.421	327.037	501.046	654.213	546.897	
	Covariance	1.603**	4.012	2.602**	4.731	7.691	5.163	5.123
	N	203	203	203	203	203	203	203

As per the above table employee relations have positive correlations with, shared goals, leadership styles, employee performance and learning and development opportunities. Correlation is significant at 1percent level two tailed. HR practices and employee growth have weak positive correlation with employee relations.

Regression Table: 6

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.372 ^a	.122	.076	1.14006	.122	2.862	5

Model Summary

Model	Change Statistics	
	df2	Sig. F Change
1	94 ^a	.014

a. Predictors: (Constant), HR practice, shared goals, leadership style, learning and development opportunities, employee growth

Table :7 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.809	6	3.762	2.781	.013 ^b
	Residual	123.780	94	1.320		
	Total	141.677	100			

a. Dependent Variable employee relations

b. Predictors: (Constant), HR practice, shared goals, leadership style, learning and development opportunities, employee growth

Table – 8 Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
	(Constant)	15.233	3.329		4.687	.000
	HR practice	.300	.087	.280	2.421	.071
	Shared goals	.067	.072	.124	.927	.000
	Leadership style	.083	.111	.074	.659	.041
	Learning& development opportunities	.164	.095	.235	1.628	.001
	Employee growth	.038	.085	.033	.289	.059

a. Dependent Variable employee relations

In the above regression table communication, leadership style, learning and development and opportunities, shared goals are significant. Employee growth and HR practice are significant. Are not significant with employee relations.

Linear regressions for intervening variable (employee relations) on employee performance.

ANOVA Table -9

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	361.597	1	361.597	49.134	.000 ^b
Residual	1479.230	201	7.359		
Total	1840.828	202			

a. Dependent Variable: Employee Relations

b. Predictors: (Constant), Employee Performance

Coefficients Table - 10

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.461	1.218		6.944	.000
	Employee Performance	.496	.071	.443	7.010	.000

a. Dependent Variable: Employee Relations

The above coefficients table 10 shows employee performance is significant with the dependent variable employee relations which are proving the proposed research model.

Discussions

In the study the intention was to know the practices of employee relations at the refurbishment industry for all electronic items. The main variables tested were HR practices, shared goals, leadership styles, learning and development, employee growth and employee performance. The demographic details were collected from the employees with regards, age, educational qualification, marital status. Most of the employees were men and 60% of the employees fall into the group of 21-25. As far as educational qualifications are concerned most of the employees belonging to Pre University (70%). In the same data 52 percent of them are married and 32 percent of them do quality controllers job. In the chi square tests the two variables which was not significant with the dependent variables employee relations are HR practice and employee growth. The correlation results' are significant at 1% level two tailed. In the case of regression analysis HR practice and Employee growth are showing weak associations with the dependent variable employee relations. The overall intervening variable employee relations have an impact

over employee performance which is proved in the data and hence the proposed research model is tested.

Conclusion

The main purpose of the study is to identify employee relations practices with employee performance. The primary data was collected from 203 employees has revealed certain evidence for the study like employee relations is affecting the patterns of working in the environment. As far as the proving of hypothesis is concerned, two variables HR Practices and employee growth are not significant with the dependent variable Employee relations management. The other variables are being accepted like leadership style, learning and development, shared goals, and employee performance. So the authors were able to conclude that, there are employee relations practices are favorable to employees to some extent. Now it is believed that employee relations practices help employees to achieve the targets. Moreover employee performance is concerned and connected with total objective achievement. So employee relations practices directly link to employee performance. That has been proved and tested with the available data.

Recommendations

Based on the findings of the study it is well understood that employee relations practices are important for motivation employees to perform and achieve the set objectives. The point that can add on is the employee growth and HR practices are to be given a thought. Some more supportive measures can help the organizations may fetch more cooperation from the employees for completing the set task. The workplaces can also consider open communication and leadership styles like more supportive and transformational style develops healthy work atmosphere. An important point which can be an added advantage is that employee's involvement in decision making or a team of people who are technically well versed can contribute in any kind of problem solving. These also can encourage as a motivating factor for employees to contribute for the organization. Employee performance which is the end result for any organizations need to be backed by thorough procedural knowledge, complete focus on the job and motivation.

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