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# A STUDY ON EMPLOYER-EMPLOYEE RELATIONSHIP

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*Abstract:* The objective of this study is to identify employee and employer relationship in the organization. The purpose of this research is to investigate the factors responsible for negative relationship between employer-employee. This is the primary research and data collected through structured questionnaire from the respondent who are employees of the organization. The main theoretical framework of this study focus on finding the factor that responsible for negative relationship between employer and employee.

#### I. INTRODUCTION

When organization need the employee in the company than they hire a new employee. They are not just bringing a new member of the workforce. He is also starting a new relationship between the organizations. They also have to develop the relationship with employer because employer and employees often work in close quarters, they necessarily develop relationship. Managing this relationship is vital to business success, as strong relationship can lead to greater employee happiness and even increased productivity. Just with all relationships, the employer and employee relationship is one that must develop over time. Employers can promote the relationships by speaking candidly with their employees about their lives, asking them about their families and learning about their interests. Similarly, employees can promote the building of this relationship by being open with their employer and sharing information about themselves and their lives.

Though out the type of employee and employer relationship that is considered appropriate varies from company to company, boundaries exist at almost all companies. Generally it is unwise for employers to develop romantic relationships with their employees. Similarly, employers should exercise care to ensure that the relationship they develop with one employee isn't notably closer than the relationship they develop with others, as this can lead to concerns regarding favoritism or similar issues of unfairness within the workplace.

#### II. LITERATURE REVIEW

Mitchell H. Rubinstein (2012) had done research on the topic "employees, employers, and quasi employers: an analysis of employees and employer who operate in the borderland between an employer and employee relationship" the objective of the study to analyze the definitional status of employers, To determining whether an employment relationship exists within the meaning of title. The researcher has collect data from survey method. The result of the study was find that Determining employer status often involves difficult issues because there is a large variety of employers, and because the nature of work is continuously changing. This article explored borderland between employers and non-employers.

Filip lievens, greet van hoye and bert schreurs (2005) had done research on the topic "examining the relationship between employer knowledge dimensions and organizational attractiveness: an application in a military context" the objective of study was to examine the factors that determine potential applicants, initial attraction to a specific kind of organization. The researcher has collect data from survey. The result of study was that there exists positive and direct relationship between employer knowledge and organizational attractiveness.

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**Dr. K.R. Subramanian (2017)** had done research on the topic **"Employer employee relationship and impact on organization structure and strategy"** the objective of study to identify impact of relationship between employee-employer in the organization. The result of study was that organizational structures regulates the flow of information within the organization, which leads to effects on both the strategic intent and the realized strategy of business organizations.

Zuraina dato mansor and sitiamifah amdan (2015) had done research on the topic "the influence of employer's behavior, communication and psychological ownership in promoting the employee-employer relationship in small and medium sized enterprises" the objective of study was to study the influence of employer's behavior towards employee and its relationship in promoting employee and employer relationship in the small and medium sized enterprises, to study the influence of communication among employee and employer that influences their relationship, to examine the relationship of psychological ownership and employee-employer relationship in the business. The result of study finds that there was a positive relationship between employer's behavior was found to be the top influence to employee relationship, while communication was second and third was psychological ownership.

**V.K. shurthi and hemanth K P** had done research on the topic **influence of psychological contract on employee-employer relationship** the objective of study to understand the concept of psychological contract and its model, to explore the outcomes of violation of psychological

contract. The result of study finds that the increasing of competition and changing expectation among employees has promoted a growing disillusionment with the traditional psychological contract based on lifetime employment and steady promotion from within. Consequently, companies must develop new ways to increase the loyalty and commitment of employees.

#### **III. RESEARCH METHODOLOGY**

The present study is purely based on the primary data collected through the structured questionnaire from respondents. The respondents are the employee and employer of the company. In total 100 questionnaires were collected from company.

The main theoretical framework of this study focuses on the finding relationship between employee and employer of the company.

Accordingly, the following set of frequencies and chi<sup>2</sup> test has been framed keeping mind the objective of the study:

- 1. Gender
- 2. Age
- 3. Marital status
- 4. Working year
- 5. Salary
- 6. Employee participation
- 7. Industrial relation
- 8. Issues related to employer-employee relationship adversely affect productivity
- 9. Organization takes step to resolve dispute
- 10. Employees assure of commitment towards the organization
- 11. Measures adopted by organization are effective
- 12. Opportunity to grow
- 13. Factor responsible for non-congenial relationship

#### IV. RESULTS AND DISCUSSION

#### GENDER

72% of respondents are males and 28% people are females.

#### Age

The respondent consist 59% of employee who have the age group of 26-30 years and 20% of employee who have the age group of 30-35. The employees with more than 35 years of age are least in the composition of employee of the organization. Thus it can be said that in the company there are more young employees.

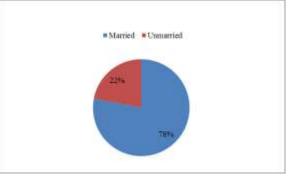
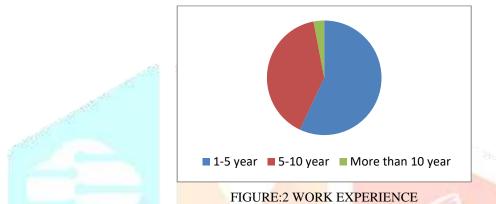


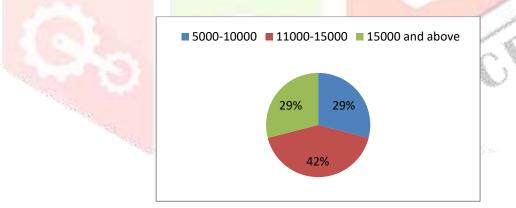
FIGURE:1 MARITAL STATUS

Out of 100respondent 78% of respondent are married where as 22% respondent are unmarried. Thus, there are more married employees in the company. Thus, it can be inferred that married people expecting stability prefer to work in the company.

#### Work Experience



From the above chart it can be said that majority of the employee have experience of 1-5 years. And only 3% employees have experience of more than 10 years. Thus it can be inferred that most employees have very less experience in the organization **Salary** 



#### FIGURE:3 SALARY

As per above chart it can be seen that there are most employees receive salary between the range of Rs11000-Rs15000 per month. Whereas, the salary range between the Rs5000-10000 and Rs.15000 and above are equal in number.

#### **Employee Participation**

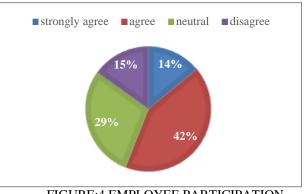
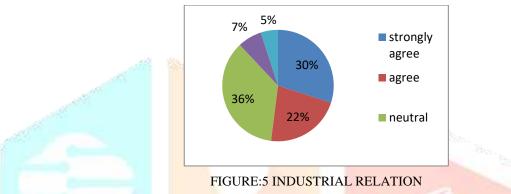


FIGURE:4 EMPLOYEE PARTICIPATION

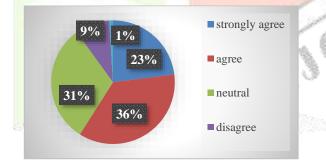
A large chunk of respondent is of the opinion that they can participate in general management decisions. However, 15% of them declared that they have no voice, and as such, they do not participate in management decisions.

#### Industrial Relation



As per above chart it can be seen that the employee are neutral in their opinion about the industrial relation in company between employer and employee. In short, they are neutral about employee-employer relations.

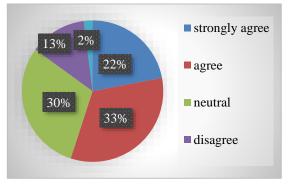
#### Issues Related to Employer-Employee Relationship adversely affect Productivity



# FIGURE:6 ISSUES RELATED EMPLOYER-EMPLOYEE RELATIONSHIP ADVERSELY AFFECT PRODUVTIVITY

Out of 100% respondent 36% of employees believe that issues related to employee-employer relationship have adverse impact on productivity. 9% disagree to the statement, whereas 1% strongly disagree to this statement.

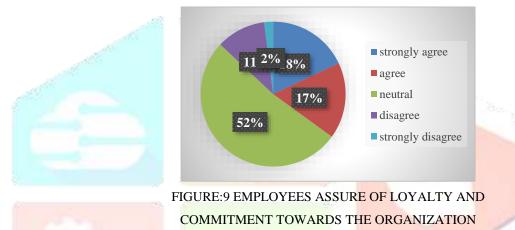
**Organization Takes Steps to Resolve Dispute** 



# FIGURE:8 ORGANIZATION TAKES STEPS TO RESOLVE DISPUTE

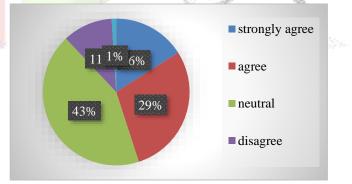
As depicted by chart it is clear that the 33% respondent agree that organization takes concrete steps to resolve dispute.22% of respondent disagree to this statement. The overall response of the respondent states that organization is serious about resolving disputes.

#### Employees Assure of Loyalty and Commitment towards the Organization



As per above figure it is shown that 52% of employees are neutral about loyalty and commitment towards organization. So we can say that if the employees get higher salary or any other better opportunity in other organization, than they can leave their present organization.

#### Measures adopted by Organization for Better Employer-Employee Relations are Effective



#### FIGURE:10 MEASURES ADOPTED BY ORGANIZATION

#### FOR BETTER EMPLOYER-EMPLOYEE RELATIONS ARE EFFECTUVE

As per above figure it is shown that the 43% of employee are neutral about the measures which is adopted by the company are effective.

**Opportunity to Grow** 

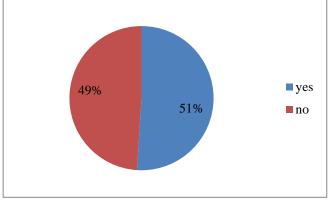
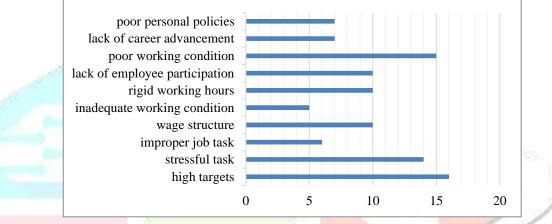


FIGURE:11 OPPORTUNITY TO GROW

As per chart is is shown that the 51% respondent agrees that there are opportunities for employee to grow in the organization whereas 49% of them disagree to the statement.

#### Factor Responsible For Non-Congenial Relationship



## FIGURE:12 FACTOR RESPONSIBLE FOR

#### NON – CONGENIAL RELATIONSHIP

As per chart, it is seen that majority of respondent think that from all factors there are 2 factor that most affect the employer-employee relations. They are non-congenial relations, high targets and poor working condition. So we can say that the employees are not satisfied with the working condition of the organization.

#### Chi<sup>2</sup> Test

The chi square test has been applied to test the relationship between variable having impact on employer-employee relationship. The following null as well as alternate hypothesis were developed for the same:

H0: The employer-employee relationship is not affected by variables such as working environment, employee participation etc.

H1: The employer-employee relationship is not affected by variables such as working environment, employee participation etc.

|                            | Chi-Square          | Df | Asymp. Sig. |
|----------------------------|---------------------|----|-------------|
| Working Environment        | 48.800 <sup>a</sup> | 4  | .000        |
| Employee Participation     | 21.040 <sup>b</sup> | 3  | .000        |
| Behaviour                  | 45.200ª             | 4  | .000        |
| Industrial Relation        | 37.700 <sup>a</sup> | 4  | .000        |
| Dispute Occure in          | 27.920 <sup>b</sup> | 3  | .000        |
| Organization               |                     |    |             |
| Issues affect Productivity | 43.400ª             | 4  | .000        |
| Resolving Dispute          | 32.300ª             | 4  | .000        |
| Loyalty and Commitment     | 72.100 <sup>a</sup> | 4  | .000        |
| Measures                   | 53.400ª             | 4  | .000        |

TABLE:1 Test Statistics

The  $x^2$  test for goodness of fit also depicts a significant difference in the distribution of opinions of the respondents at 5% which compels us to reject the null hypothesis. Thus, it can be inferred that factor such as working environment, proper system of employee participation, congenial industrial relations, disputes, loyalty and commitment of employees have significant influence on employeremployee relationship in the organization.

|     |                                     | N     |                  |              | Std. Deviation   |
|-----|-------------------------------------|-------|------------------|--------------|--|
| eQ. |                                     |       |                  | Mean         |  |
| · · |                                     | Valid | Missing          |              |  |
| E.  | Working Environment is Supportive   | 100   | 0                | 2.2300       | .97292   |
|     | and Friendly                        |       |                  | - 10         | Star.  |
|     | Proper System of Employee           | 100   | 0                | 2.4500       | .91425   |
|     | Participation                       |       |                  |              | 1.1  |
|     | Satisfied with the Behavior of      | 100   | 0                | 2.4100       | .96499   |
| .,  | Employee                            |       |                  |              | and the second s |
| Ŀ,  | Industrial Relation in your         | 100   | 0                | 2.3500       | 1.13150  |
| 2   | Organization are Cordial.           |       |                  | //           | 14   |
| 44  | Dispute Occur in Organization       | 100   | 0                | 2.1700       | .85345   |
|     | Issues among Employer-Employees     | 100   | 0                | 2.2900       | .95658   |
|     | does not Adversely Affect your      |       | 3000 - 1000<br>1 | North States |  |
|     | Productivity                        |       | ÷                |              | 30-  |
|     | Employee Resort to Legal Assistance | 100   | 0                | 2.4000       | 1.03475  |
|     | for Resolving Dispute               |       |                  |              |  |
|     | Cordial Employer-Employee Relation  | 100   | 0                | 2.6200       | .97214   |
|     | help increase Loyalty and           | -     |                  |              |  |
|     | Commitment of Employees.            |       |                  |              |  |
|     | Measures Adopted by Organization    | 100   | 0                | 2.5200       | .92638   |
|     | are Effective                       | 100   | U U              | 2.5200       | .72050   |
|     |                                     |       |                  |              | I  |

Table:2 Mean, median and standard-deviation of below statement

This table reveals clearly that the respondents response most positively for the statement that cordial employer-employee relationship help increase their loyalty and commitment towards organization. This is supported by mean figures of 2.62. the list response is for the variable that disputes occur in the organization with the mean figures of 2.17.however, the overall mean results are not much positive. Maximum standard deviation is observed for the variable that there are cordial employer-employee relations in the organization. The least standard deviation is observed for the variable stating that dispute occur in the organization. The overall deviation in the responses of respondents is not significant.

#### V. MAJOR FINDINGS

- 29% of employees think that there is friendly and supportive environment in the company.
- 42% of employees strongly agree that there is a proper system for employee participation and 15% disagree to this statement. From this result we can say that there are some employees who are not satisfied with the employee participation activities of the organisation.
- Most employees fall in the age group of 26-30 years. The employees with more than 35 years of age are list in composition of employees of the organisation. Thus it can be said that in the company there are more young employees.
- 78% of employees are married whereas 22% employees are unmarried. Thus, there are more married employees in the company. Thus, it can be inferred that married people expecting stability prefer to work in the company.
- Majority of the employee have experience of 1-5 years. And only 3 employees have experience of more than 10 years. Thus it can be inferred that most employees have very less experience in the organisation.
- Most employees receive salary between the range of Rs11000-Rs15000 per month. Whereas, the salary range between the Rs. 5000-10000 and Rs. 15000- above are equal in number.
- A large chunk of respondents are of the opinion that they can participate in general management decisions. However, 15% of them declared that they have no voice, and as such, they do not participate in management decisions.
- Employees are neutral in their opinion about the industrial relation in company between employer and employee. In short, they are neutral about employee-employer relations.
- 36% of employees believe that issues related to employer-employees relationship have adverse impact on productivity. 9% disagree to the statement, whereas 1% strongly disagree to this statement.
- 33% of employees agree that organisation takes concrete steps to resolve disputes. 22% of employees disagree to this statement. The overall response of the respondents states that organisation is serious about resolving disputes.
- 52% of employees are neutral about loyalty and commitment towards organisation. So we can say that if the employees get higher salary or any other better opportunity in other organisation, than they can leave their present organization.
- 43% of employee are neutral about the measures which is adopted by the company are effective.
- 51% employees agree that there are opportunities for employee to grow in the organization whereas 49% of them disagree to the statement.
- Employees are not satisfied with the working condition of the organization.
- More employees are of the age group of 21-26 years. Thus in the company there are more young employees. But compared to female employees there are more male employees in the company.
- Out of 72 male respondents, 55 are married and 17 are unmarried and out of total 28 female respondents 23 are married and 2 are unmarried respectively. Thus, we can say that majority of respondents are married.

- Majority of the male employees have working experience of 1-5 years. Likewise, most of female employees also have working experience of 1-5 years.
- Employees having the experience of 1-5 years have the salary of Rs. 5000-10000 per month. Employees having work experience of 5-10 years also earn monthly salary from Rs.5000 to Rs.10000. Thus, we can say that the structure of salary is not proper. Salary is not strictly related to experience.
- Factors such as working environment, proper system of employee participation, congenial industrial relations, disputes, loyalty and commitment of employees have significant influence on employer-employee relationship in organisation. The overall mean results are not much positive. The overall deviation in the responses of respondents is not significant.

## VI. RECOMMENDATION/SUGGESTION

- Efforts should be made to make organisational climate more friendly and supportive.
- Efforts should be made to fetch more experienced staff. Measures should be taken to see that

employees do not leave the organisation.

- More emphasize should be laid on employees' participation in management.
- Job security should be assured to employees so that labour turnover can be reduced.
- Monetary benefits should be increased in order to motivate staff to perform better.
- Training should be provided at regular intervals so that productivity does not get adversely affected.
- More career advancement opportunities should be made available to employees.
- Efforts should be made to increase commitment and loyalty of staff towards organisation.
- Targets get for employees should be practically feasible.
- Disputes should be resolved at earliest possible.

### VII. CON<mark>CLUS</mark>ION

The overall responses of respondents are quite positive. They are of the opinion that they have a better career opportunity in this organization. Yet, from this study it can be concluded that through the overall response of employees are positive towards relationship between employer-employee, there are some factor that they are responsible for their discontent such as high targets, poor working condition, rigid working hours etc.

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