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A STUDY ON EMPLOYEE RELATIONS IN IT FIRMS WITH REFERENCE TO COIMBATORE CITY

Author 1: Dr R NAGALAKSHMI,

Assistant Professor.

Author 2: Ms K BHUVANESHWARI,

Research Scholar.

VET Institute of Arts and Science (co-education) College,
Bharathiar University.

ABSTRACT:

Over the past ten years, employee relations—which seek to create and preserve a friendly relationship between workers and the organization, managers, and other workers—have gained attention. The reasons for bad employer-employee relations, the importance of management relationships, and the role that co-worker relationships play in fostering positive employee relations were the main topics of the essay. Discussions of the findings and recommendations based on the analysis were held. The worker believed that improved basic work culture would improve employee interactions and be provided by the organization. Good supervisory practices and a trustworthy work environment were determined to be the most important elements influencing positive employee relations.

Index Terms: Managerial Relationship, Co-worker relationship, Poor employee relations, ITES “The whole is greater than the sum of its parts” Aristotle

I. INTRODUCTION:

Workplace relations are not an exemption to this rule. Industrial relations are limited to collectivism and trade unions; trade unions seek or defend workers' rights. In the context of globalization, trade unions were shut out when the economy opened to international corporations. Due to pressure to remain competitive and shifts in worker attitudes, the fastest-growing information technology industry—which is associated with foreign corporations as partners or customers—finds it challenging to accept trade unions into their system. The existence of trade unions is undermined by employees, even those at the entry level who is graduates and believes they do not need outsiders to ask for their rights. Worldwide Integration

II. REVIEW OF RELATED LITERATURE:

Arunkumar Agariya, Sri Harsha Yayi (2015)⁴, A study was conducted among 270 employees of IT sector, to bring out the importance and relevance of ERM in IT sector, which has brought a glut of knowledge in the field of ERM. It is brought out that apart from retaining the knowledge of employees, it is important that the psychological well-being of the employees are taken care off. There arises a need for Employee relationship management. ERM is an extension of CRM, where companies try to inculcate the CRM practices to make their internal customers happy. The authors suggested that the factors that influence ERM are communication and coordination, knowledge management, organizational policies, organizational environment and perceived trust. Employee relations is a critical component of a successfully run business. Effective employee relations involve interactions at multilevel of organizational structure, encompassing the communication between employer and employee, and among employees. Creating a culture of effective employee relations demand all levels of management on board. It is suggested that the ER strategies like open communication, adjusting management styles according to the requirements of employees, very importantly maintaining a positive work environment would pave a long way for good employee relations. Jonathan Lister www.bizinfluent.com 5.

Patrick Gunnigle et al., (1997)⁷ in their article brings into light the growth of individualist management of employees, overtaking the union led collectivism. The study is based on Ireland in selected Greenfield companies during the year 1987-1992. Power of union or even the role of union is invisible, due to the unemployment problem, competitive product market. Also the industries wanted to convince the employees that they are far off in providing employee benefits even without the presence of union, by adopting sophisticated HR practices right from recruitment, selection, orientation, training and performance and pay.

These sophisticated HR practices are termed as soft HRM, which is the buzz word for Greenfield companies.

Opening up of economy has forced companies to adopt to the market competitive practices of being flexible in their working styles, which unions would certainly oppose, thus waiving the role of unions, greenfield companies, adopted soft HRM practices, without Union. From employees perspective, as their level of education has increased, their association with a union for bargaining needs has drastically reduced, with their perception is anti-union. The article has exquisitely explained the changing employment scenario of declining union presence and increasing individual concerns of employees, a radical change in industrial relations.

Mohammed Sahedur Rahman, Rabeya Khatun Taniya (2017) 1 , in their article highlighted that Employee Relationship Management is a motion that focuses on new forms of communication. Maintaining good employee relations benefit both employer and employee. The study was conducted to test the impact of ERM on performance of banking sector employees. The authors carried out the study with the ERM components like HR Practices, Trust, Communication, Leadership style, shared goals, and values. The study confirmed the positive impact of ERM components' on performance. They suggest that ERM practices should be acknowledged in every walk of employees' organizational life, which would directly improve organizational performance.

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. This article explored borderland between employers and non-employers.

V.K. shurthi and hemanth K P had done research on the topic influenceofpsychological 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. 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, new ways to increase the loyalty and commitment of employees.

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 regulate the flow of information within the organization, which leads to effects on both the strategic intent and the realized strategy of business organizations.

III. RESEARCH GAP:

Improving employee relations in the ITES (Information Technology Enabled Services) sector is crucial for the overall growth and success of companies and the well-being of society. Here are some strategies to enhance employer-employee relations, supervisory relationships, and interpersonal relations in the ITES industry. Communication channels, training and development, work life balance, Recognition and reverts etc.. By implementing these strategies, ITES companies can foster a positive work environment, enhance employee satisfaction, and contribute to the overall well-being and growth of both individuals and society. Effective employee relations are not only essential for organizational success but also play a crucial role in building a positive corporate culture and contributing to societal development.

IV. OBJECTIVES OF THE STUDY

The study is carried out with the following objectives:

- 1. To determine the respondents' demographic makeup in the ITES industry.**
- 2. To determine the organization's employee-employer relationship.**
- 3. To research the tactics used by the company to enhance relationships between employers and employees.**
- 4. To determine how supervisory and colleague relationships affect productive employee relations.**

V. METHODOLOGY

The nature of the investigation is analytical. The purpose of the study was to determine, via the use of primary data, how employee relations are impacted by the interaction between managers and coworkers. Statistical approaches such as multiple regression, factor analysis, and descriptive statistics have been used to assess the formulated hypothesis. Recommendations were sent to the ITES businesses based on the analysis and the literature review.

VI. SAMPLING

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VII. QUESTIONNAIRE DESIGN

The questionnaire includes questions about demographics, co-worker and management relationships, and reasons for bad employer-employee relations, and steps to improve relations between employers and employees using a Likert scale that goes from strongly agree to strongly disagree.

VIII. LIMITATIONS OF THE STUDY

- The Study is limited with 175 samples, as there is lesser accessibility in ITES sector.
- Only employees' perspectives were included in the survey; management was not involved in any way.

IX. DATA ANALYSIS AND INTERPRETATION

To achieve the goal, data gathered from 175 ITES workers was analysed. To give the raw data context, factor analysis and simple percentage were applied. A percentage analysis was used to illustrate the demographic characteristics. Descriptive statistics were utilized to identify the causes of unsatisfactory employer-employee relations, while a reliability test was employed to determine the dependability of the two factors—managerial relationship and co-worker relationship. The impact of colleague and management relationships on employee relations was determined using multiple regression analysis. The statistical techniques were provided in the study in the form of straightforward tables, which were then followed by an explanation.

TABLE 10.1 DEMOGRAPHIC VARIABLES

Demographic Variable	Frequency	Percentage
Age of the respondents		
Less than 25	129	74
25-35	37	21
35-45	8	4
Above 45 years	1	1
Role of the employees		
Production staff	149	85
Team leader	12	7
Lower management	7	4
Middle management	4	2
Upper management	3	1
Gender		
Male	55	31
Female	120	69
Marital Status		
Single	142	81
Married	33	19
Qualification		
UG	73	42

PG	56	32
Professional degree	40	23
M.Phil, Ph.D	6	3
Monthly Income		
Less than 15,000	148	85
15000 to 25000	20	11
25000 to 35000	4	2
More than 35000	3	2
Experience in the Company		
Less than 2 years	119	68
2-4	30	17
4-6	9	5
Above 6 years	17	10
TOTAL	175	100

Table 10.1 Summarizes the demographic characteristics. 175 respondents who work for ITES businesses in Chennai city participated in the survey. The majority of respondents—74 percent—are under 25 years old. Of these, 85% work in production, and 69% are female employees. Of the sample, 81% are unmarried, and around 42% have not completed their education. 68% of the respondents have worked for the organization for less than two years, showing that they are new hires, and 85% of the respondents make less than Rs. 15,000.

TABLE 10.2 RELIABILITY TEST

Factors	No of items in each factor	Cronbach alpha	Result
Managerial relationship	13	0.906	Highly reliable
Co-worker relationship	15	0.893	Highly reliable

Table 10.2 shows the reliability of the two factors used in the study. It highlights that, the factors managerial relationship and co-worker relationship are highly reliable, as the Cronbach alpha value is more than 0.85.

REASONS FOR POOR EMPLOYER EMPLOYEE RELATIONS

Table 10.3 REASONS FOR POOR EMPLOYER EMPLOYEE RELATIONS

Reasons for poor employer employee relations	N	Mean	Std. Deviation
Unfair pay	175	3.47	1.149
Strenuous work	175	3.37	1.136
Lack of career growth	175	3.35	1.198
No vent for voicing grievances	175	3.29	1.082
Lack of encouragement	175	3.26	1.194
Favouritism at work place	175	3.26	1.102
Unhealthy work environment	175	3.03	1.184
Job insecurity	175	3.01	1.234
Indifferent management	175	2.86	1.266
Total	175		

Table 10.3 describes the opinions of the respondents regarding what causes bad employer-employee relations. The three main causes of poor employee relations are: inadequate career advancement; excessive workloads; and unjust compensation. Although it is business policy for employees to be paid based on both their performance and the firm's performance, employees often felt that they were receiving unfair compensation. IT and ITES organizations are notorious for their intense workloads, and the ITES sector offers very little opportunity for professional advancement. Positive employee interactions are negatively impacted by these elements. Workers regard poor employee relations as a result of job insecurity and uncaring management, not as a cause of it.

MANAGERIAL RELATIONSHIP

Table 10.4 KMO and Bartlett's Test for Managerial Relationship

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.868
	Approx. Chi-Square	1202.046
Bartlett's Test of Sphericity	df	78
	Sig.	.000

Table 10.5 Total Variance Explained

Component	Extraction sums of squared loadings		
	Total	% of Variance	Cumulative %
1	6.266	48.202	48.202
2	1.187	9.133	57.335

Table 10.4 describes the results of the sample adequacy test (KMO test), which has a very significant (significance value less than 0.01) KMO value of 0.868, which is highly adequate. As a result, the components offer a strong explanatory framework for understanding the management interaction. The contribution of each

factor is displayed in Table 10.5. Thirteen variables were reduced to two by factor analysis; the first factor accounts for 48% of the variance, while the second accounts for 9%. 57% of the variance is explained by the factors taken together.

Table 10.6 Rotated Component Matrix^a

Variables	Component	
	1	2
MR.1		.807
MR.2		.577
MR.3		.560
MR.4		.674
MR.5	.571	
MR.6	.714	
MR.7	.792	
MR.8	.782	
MR.9	.673	
MR.10	.762	
MR.11	.667	
MR.12	.726	
MR.13	.707	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.		
a. Rotation converged in 3 iterations.		

Table 10.6 explains the elements that the investigation found. A manager is crucial to keeping staff members on board. First factor: excellence in the managerial function includes qualities such as objectivity, technical proficiency, task assistance, effective conflict resolution, information sharing, listening to subordinates' issues, and soliciting suggestions from them. The second factor, basic management function, includes the manager's ability to determine compensation, be kind and approachable, and retain the names of subordinates. Effective employee relations are often attributed to excellence in management.

CO-WORKER RELATIONSHIP

Table 10.7 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.868
Approx. Chi-Square	874.822
Bartlett's Test of Sphericity df	105
Sig.	.000

Table 10.8 Total Variance Explained

Component	Extraction sums of squared loadings		
	Total	% of Variance	Cumulative %
1	5.278	35.190	35.190
2	1.756	11.704	46.894
3	1.173	7.818	54.712

Table 10.7 describes the results of the sample adequacy test (KMO test), which has a very significant (significance value less than 0.01) KMO value of 0.868, which is highly adequate. As a result, the components offer a strong explanatory framework for understanding the dynamics amongst coworkers. Each factor's

contribution is displayed in Table 10.8. After being reduced from 15 variables to three, the first factor now accounts for 35% of the variance, the second for 11%, and the third for 8%. The factors account for 55% of the variance when taken as a whole.

Variables	Component		
	1	2	3
CWR.1		.543	
CWR.2		.533	
CWR.3	.725		
CWR.4	.687		
CWR.5	.815		
CWR.6	.689		
CWR.7		.620	
CWR.8	.607		
CWR.9			.573
CWR.11			.718
CWR.12		.441	
CWR.13			.672
CWR.14		.742	
CWR.15		.680	
(Source: Computed)			

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 5 iterations.

Table 10.9 shows the three factors that the factor analysis revealed. The first factor is believable relationships, which make up a trustworthy team, individuals who are treated with decency and respect, and cooperative coworkers. Contributing to 35% of the overall variance is the willingness to share work in an emergency and the chance to get experience working in a team. The second factor is receptive connections, which include making friends at work, extending a warm welcome to new hires, interacting with everyone in the department, enjoying teamwork, and cheerfully and constructively discussing concerns. Factor Three An inclusive relationship includes providing a space for team meetings, going on team outings, and attending team members' personal events. Relationships between coworkers are essential to keeping staff on board.

CONTRIBUTION OF MANAGERIAL AND CO-WORKER RELATIONSHIP ON EMPLOYEE RELATIONS:

Table 10.10 Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.663 ^a	.440	.434	3.84220

a. Predictors: (Constant), managerial relationship and co-worker relationship

Multiple regression analysis was done to determine the impact of coworker and management relationships on employee relations. The dependent and independent variables have a correlation (R value) of 66.3%, as indicated by model summary table 10.10. The regression values, or R square, indicate how much the independent factors contributed to the dependent variable. It demonstrates that coworker and management relationships account for 44% of the variance in employee relations.

Table 10.11 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1995.332	2	997.666	67.581	.000 ^b
1 Residual	2539.148	172	14.762		
Total	4534.480	174			

Dependent Variable: Employee relations

Predictors: (Constant), managerial relationship and co-worker relationship

An assertion that co-worker and management relationships both support employee interactions may be made, as demonstrated by ANOVA Table 10.11, where the significance value is less than 0.05. As a result, the model fits the selected sample.

Table 10.12 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-5.352	2.166		-2.471	.014
1 Managerial relationship	.253	.036	.491	7.028	.000
Co-worker relationship	.153	.044	.244	3.494	.001

a. Dependent Variable: Employee relation

Employee Relations (X) = -5.352+0.253 (Managerial relations) + 0.153 (co-worker relations)

A useful tool for constructing an appropriate equation that explains the link between dependent and independent variables is the coefficient table. The constant value indicates what the dependent variable's prediction would be if the independent variables were taken to be zero. Employee relations will be negatively

impacted in the lack of positive management and coworker relationships, as indicated by the constant value of -5.352, which accurately represents the situation.

X. SUGGESTIONS

- The fundamental work culture is highly valued by IT employees, and its absence is harmful to positive employer-employee interactions. Businesses should prioritize a positive, relationship-based work culture over ergonomics.
- In order to keep talented workers, managers must enhance their interactions with their staff members and perform exceptionally in their managerial capacity. This involves going above and beyond in relationship management.
- IT enterprises must foster a positive work atmosphere where staff members value their interpersonal relationships.

XI. CONCLUSION

The purpose of the study is to determine the causes of low employer-employee relations as well as the significance of manager-employee and coworker relationships in fostering employee relations. Companies work hard to keep their talent pool in an era where supposedly sophisticated benefits like flexible work schedules, flexible compensation, and work from home have become standard or fundamental features of a company. This is achieved through employee relations, which foster a friendly relationship between employers and employees. excellent manager-employee relations and excellent coworker interactions are what sustain good employee relations; the organization cannot do it alone. Thus, the company's function is expanded to include that of a facilitator of such a friendly workplace, which is now lacking. The study highlighted the significance of relationship-based management, which combines superior technical expertise with considerate treatment of subordinates. Coworker relationships also go beyond simple wish-exchanging to include positive, reliable relationships. Because ITES businesses employ both independent knowledge workers and teams, they must project a certain image of themselves as an organization that values employee relations. Strengthening horizontal and vertical links is necessary for improved employee relations.

XII. SCOPE FOR FURTHER RESEARCH

- Middle level managers might participate in the study since they would offer an alternative viewpoint on employee interactions.
- Other service industries, such as banking, teaching, healthcare, and hospitality, may also be the subject of the study.
- It can also be used to discuss how employee relations affect commitment and involvement among staff members.

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