

Research Article

An Employee Relation is one of The Key Fundamental Elements of Organizational Performance, Prosperity and Sustainability- Survey Analysis

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A B S T R A C T

The content of this chapter was divided into 3 sections; the first section discusses the employee relationship; the second section discusses the organizational performance while the third discusses the relationship between employee and organizational performance. Great Relationship is essential for the smooth running of any business. The term 'Modern Relations' methods the connection among managers and representatives, A great correspondence between a business and its representatives is basic for building a positive work place culture. So as to improve the work execution, a worker must get criticism, both positive what's more, basic. Appreciation and Appreciation is significant. Order that benefits the organization furthermore, the representatives, Employers will approach their workers with deference and the other way around on the off chance that they all need to succeed and accomplish objectives. Investing energy with the representatives, tuning in to workers is significant. The negative impacts of boss-representative connection, a business who neglects to comprehend issues concerning his representatives probably won't make long haul progress in his endeavor. Some business fears in giving their representatives to much purchasing in power.

Keywords: Work Place Culture, Organizational Performance, 'Modern Relations' Employee Relationship

Employee Relationship

Employee means an individual who works part time or fulltime under a contract of employment whether oral or written, express or implied, and has recognized rights and duties.

An employee relation is one of the key fundamental elements of organizational performance, prosperity and sustainability. Good employee relations results in a highly committed, motivated and loyal employees in the organizations.

According to Torrington and Hall (1998), the relationship between employees and management is a framework of organizational justice consisting of organizational culture and management styles as well as rules and procedural sequence for grievance and conflict management. Gennard and Judge (2002) stated that employee relations is a study of the rules, regulations and agreements by which employees are managed both as individuals and as a collective group.

Lewis et al (2003) explained that employee relations suggest a wider employment canvas being covered with

equal importance attached to non-union employment arrangements and white collar jobs. Armstrong (2005) observed that employee relations is to manage the relationship between employer and employees with the ultimate objectivity of achieving the optimum level of productivity in terms of goods and services, employee motivation taking preventive measures to resolve problems that adversely affect the working environment.

Walton (1985) narrated that the unitary viewpoint of employee relations is the belief that management and employees share the same concerns and it is therefore in both their interests to cooperate. Perkins and Shortland (2006) advocated that employee relations is concerned with the social economic relationship that forms and revolves around a contract between the parties to perform work in return for employment benefits such as remuneration.

Clarke (2001) commented that effective employee relationship management requires cooperation between managers representatives and employees, that good relationship between employer and employee do not just happen but they are the result of a strategy and activities that employee relations managers design to improve communication between employees and management (Mayhew, 1985).

George and Jones (2008) said that employee relations involve the communication and relationships that in the end contribute to satisfactory productivity, job satisfaction, motivation and morale of the employees. Consequently, Foot and Hook (2008) highlighted that the right of employer on employer and employee relationship is to control work performance, integrate employee in the organization's structure and management system and create a mutual trust environment, confidence and supply of enough and reasonable work while employees obey lawful and reasonable orders, maintain fidelity and work with due diligence and care.

Gomez-Mejia et al. (2001) argued that for organizational members to perceive employee relations management practices positively, the organizational leadership needs to put emphasis on gaining support from employees, having mutual trust and confidence building, allowing freedom of association, improving career and salary tracks, retirement benefits, and retaining measures. Pearce and Robinson (2009) observed that organizations should strive to satisfy their employees with good pay, good supervision and good stimulating work.

Mayhew (1985) inferred that best employee relationship management practices incorporate labour and employment laws, resourcefulness and human resource expertise in developing practices that improve working relationships. Purcell and Ahlstrand (1994) insisted on the need of the

existence of a distinctive set of written guiding principles which set parameters to and signposts for management action regarding the way employees are treated and how particular events are handled.

Lewis et al. (2003) contended that it is good to involve employees direct in decisions that go beyond their immediate work tasks and given opportunity to control their work situation in a manner that benefits the organization also to have a managerial policy where employees and employers share goals and agree on the means to achieve them, their involvement is very important because participation in goal setting has been found relating to acceptance and subsequent commitment to the established goals which leads to favourable outcomes in terms of performance and attitudes (Harzing & Ruysseveldt, 2004).

According to Shweitzer and Lyons (2008) factors that lead to good employee relations in the organization include employee empowerment and involvement, initiating employee suggestions, conflict management and grievance redress measures, facilitating collective bargaining, expertize training and development, encouraging teamwork and transparency in communicating. Ivancevich (2001) supported that employee empowerment improves employee relations because it contributes directly to organizational objectives by increasing skill sets and granting authority to the employees to make a decision that would traditionally be made by managers.

Kovach (1995) focused on the need of effective communication that it is one of the most important factors which either improves or spoils the relationship among employees, employees with open lines of communication with managers are more likely to build effective work relationships with those managers, increase their organizational identification and enhance their performance which at last contributes to organization productivity (Tsai, Chuang & Hsieh, 2009).

Employees are one of the major stake holders for every organization, both commercial and non-profit organizations. Employees give the best part of their lives to organization; there is therefore a moral obligation to let them know how they are performing. At the same time organizations have to measure the performance of all their resources unlike technology and capital. This resource peoples have expectation and interests and they are manifested in behavior which impacts performance.

Torrington and Hall (1998), refers to the relationship between employees and management as a framework of organizational justice consisting of organizational culture and management style as well as rules and procedural sequence for grievance and conflict management indeed, the objective of employee relationship is to achieve

harmonious employee relations and minimize conflict practices in employee.

Gennard J and Judge G define employee relations as Employee relations is a study of the rules, regulations and agreements by which employees are managed both as individuals and as a collective group, the priority given to the individual as opposed to the collective relationship varying from company to company depending upon the values of management. As such it is concerned with how to gain people's commitment to the achievement of an organisation's business goals and objectives in a number of different situations. Schein (1988) is largely responsible for this notion of a psychological contract and his suggestion was that between employer and employee there exists an implicit contractual relationship which is derived from a series of assumptions on the part of employer and employee about the nature of their relationship. These assumptions may not be legally enforceable but they constitute a set of reciprocal arrangements and form the basis for a series of expectations that may have a considerable degree of moral force.

The endurance of any association in the serious society lies in its capacity to prepare its human asset to be imaginative, creative, innovative who will perpetually improve execution and increment upper hand (Vemić, 2007; Edralin, 2004). Worker relations is one of the most unavoidable procedures for improving representatives' exhibition upgrading association execution in the work place (Gupta, Bostrom, and Huber, 2010). Representatives are the vital resource and key component of increasing upper hand of any association and great relations is fundamental apparatus for its actualisation (Houger, 2006). It has additionally gotten essential taking into account progression in current world to investigate representative relations. In this manner the pretended by representative relations can never again be over-underscored. It is likewise commonly concurred that at each degree of authoritative presence, representative relations is basic to enough set them up to meet the objectives of the association.

Diverse terms like "capital-labour relations", 'industrial relations', 'employment relations', 'labour relations' and others like 'workplace relations' and 'employee relations' are rather loosely used interchangeably to mean the same (Venkata, 2006 [23]; IIRA, 2004). But we can distinguish between some of them. The more commonly used traditional term 'industrial relations' refers to the hoary inter-disciplinary subject derived from parent disciplines such as economics, sociology, psychology and law, which deals rather narrowly with negotiations between employers and unions, industrial action and conflict.

By contrast, the less commonly used modern term 'employment relations' conveys "the ubiquitous concern

with relationships, individual and collective, arising in and from employment" (Goodman, 1985).⁷ The broader category of employment relations, which is also considered by some as a more dignified one, thus, includes all aspects of labouring such as (1) nature of employment contracts; (2) work organisation and worker participation; (3) skills, training and motivation; (4) wages, non-wage benefits and working conditions; and (5) worker organisation, workplace governance and labour-management relations. Some scholars have used "employee relations" to refer to labour-management relations in non-union firms.

The thought of 'work' is more extensive than wage business (formal work), and envelops independent work, homeworking, and local work, in this manner bringing into its circle the wide scope of exercises in the purported casual economy. Consequently we utilize the cutting edge terms, for example, "work and business relations" or what the IIRA presently calls "work and work relations" as equal to the conventional term "work relations" which implies all parts of individuals busy working, formal and casual (Adams, 1993). It might be noticed that sociologists have been in the front line, more than any other person, in looking at the "intense current universe of work in the entirety of its disgrace and greatness" (Grint, 2000)¹⁰ nearby examinations concerning the improvement of business associations for the sake of "human science of business" (Granovetter, 1992).⁹

More importantly, as Noon and Blyton (2002)¹⁸ point out, the worker needs to be made the central reference point in the subject of industrial relations, in contrast to so much that is written in this field, in which the employee is either completely ignored or is treated as a regrettable and sometimes troublesome cost of doing business. In doing so, the dominant theories of work can be tested against the reality experienced by workers.

Employee Relations provides direction and oversight for a variety of non-union staff employment matters, including leaves of absence, staff performance and disciplinary issues, staff employee grievances including formal complaints, investigation of harassment and other workplace misconduct allegations, all anticipated terminations and unemployment compensation claims. Employee Relations also provides proactive assistance to both employees and supervisors on the interpretation and implementation of policies, procedures, and the staff handbook directives (Locke, Qin & Brause, 2007).¹⁴

Employee relations is a study of the rules, regulations and agreements by which employees are managed both as individuals and as a collective group, the priority given to the individual as opposed to the collective relationship varying from company to company depending upon the values of management (Blyton & Turnbull, 2004).³ As such it is concerned with how to gain people's commitment to

the achievement of an organisation's business goals and objectives in a number of different situations.

The consideration of organisational outcomes of employee relations has become a significant topic in employment relations, Human Resource Management (HRM) and related fields. Indeed over several decades the focus of employee relations has shifted from one of sharing power and improving workers' rights to one of improved organisational efficiencies, performance and other organisational outcomes (Gollan & Wilkinson, 2007; Kim, McDuffie & Pil, 2010). Research has identified some links between employee relations and organisational outcomes such as improved occupational health and safety (OHS) outcomes (Gunningham, 2008; Markey & Patmore, 2011; Sorensen, Hasle & Navrberg, 2009), and better utilisation of employees' skills and knowledge for organisational outcomes (Dundon & Gollan, 2007).

Positive outcomes for employees have also been identified from employee relations. This is particularly so with the high performance workplace practices (HPWP) paradigm which identifies employee outcomes such as improved job satisfaction, greater skills that can leverage increased pay, and reduced fatigue and stress associated with increased autonomy (Appelbaum, Bailey, Berg & Kalleberg, 2000). The extent of employee outcomes is debated, with some arguing that they are overlooked in favour of organisational outcomes (Baptiste, 2008; Boxall & Macky, 2009; Conway & Monks, 2009; Haynes, Boxall & Macky, 2005). It appears that when employee relations increases the power of employees, it achieves better outcomes for them (Busck, Knudsen & Lind, 2010; Hvid & Hasle, 2003).

The impact of employee relations on organisational performance has been identified by various scholars and authors to be very crucial to an organisation and its effectiveness (Oluoch, 2013; Gupta, Bostrom & Huber, 2010; Aguinis, & Kraiger, 2009). In the light of the above, organisations are therefore encouraged to build a strong and cordial relationships with their staff to the fullest advantage in order to enhance their effectiveness. Good relations are required for staff to enable them work towards taking the organisation to its expected destination. It is against the backdrop of the relative importance of employee relations in relation to organisational performance that this study addresses.

Employee Relationship Techniques

A technique refers to approaches which are used to make considerable differences. Which include the following, through monetary rewards, Improving the quality of working conditions plus job enrichment, promotion, credits for work done and job security create relationships with employees.

Monetary Rewards

According to Peter Drucker (1999) there was not enough evidence for the alleged turning away from material rewards. Economic incentives were becoming right rather than rewards. There was no doubt that we live in a money motivated world. Any amount of human relations cannot compensate for lack of monetary rewards. Rewards could act as the catalyst for improved performance and better productivity. They can be effective method to reward performance excellence and reign force everyone alignment towards company goals Kottler P (1988).

Improving The Quality of Working Condition Plus Job Enrichment

Employees have aspirations and needs. This category focuses on the organizational efforts to meet those aspiration and needs in relation to providing good working environment.

Promotion, Credits for Work Done and Job Security Create Relationship with Employees

Credit for work done this wants issues from the egoistic classification of needs and can be supplied by management through verbal praise of excellence work, monetary rewards for suggestions, and public recognition through rewards.

Job security because of the threats from technological change, this wants is high on the list of priorities for many employees and labour unions. The underlying need of general security is also high on the list of priorities in the suggested need hierarchy of Maslow. Sultan kermally (1997).

Formal Communication

At the center of any successful employee relationship is the important aspect of keeping employees informed about general matters affecting their work role. Communication and consultation within the organization contribute to increased understanding of management actions. Misunderstandings arising from day-to-day activities and improved trust between employers and employees.

Communication is a two-way process that needs to be made for upward as well as for downward communication. formal communication channels are those that are officially acknowledged and approved, such as circulars, meetings, posters and so on.

According to Cole (1997) organizations should acknowledge the supreme importance of Formal communication channels in the organization and ensure that adequate mechanisms exists to stimulates and channel the exchange of information, suggestions, feelings and opinions between management and employees.

Greenbaum (1974) described four major purposes of organization communication. He identified regulation purposes where communication is intended to ensure that employee

behavior is consistent with the goals of the organization.

Second innovation purposes whereby the organization seeks to change the way that things are done. Third, integration purposes where the aim to encourage employees to identify with organization and raise morale. Fourth, information purposes, which employees will need in order to do their jobs. All these are important aspects that management uses to enhance business processes within an organization and ensure that it remains as an entity.

Cutter buck (1993) also added by identifying some roles of communication which they classify as task communication, Educational and motivational communication.

Employee Participation

This involves employees participating in decision making. Processes of an organization. The employee participates in an organization through consultations, collective bargaining to workers. Employee participation refers to the practice in which employees take part in management decision and it is based on the assumption of community of interest between employer and employee in furthering the long-term prospects of the enterprise and those working in it. The British institute of management (1977).

Organization Performance

Organization performance is a function of employee performance. Organization effectiveness depends on constantly improving the performance of organizational members and developing and maintaining the human potential that serves as the backbone of the organization. Kerning and Jaeger, (1990).

Organization performance refers to how well an organization is performing. Good performance is an indicator of success and development of all organizations. Today best practices evaluate organizational performance in terms of financial results, Products innovations, customer loyalty and people performance help ensure organizational goals are being achieved Armstrong (1987).

Performance

This is the ability to achieve organizational goals more effectively and efficiently. If an organization is to meet its goals effectively and efficiently ways of accurately measuring management performance must be implemented for performance to be effective employers should recognize the legitimate desires and needs of employees for progress in their professions Harold Koontz (1994) ways in which employees performance can be increased to achieve organizational goals include proper incentives systems, these include financial incentives and non-financial incentives.

Performance is a major concern to all organizations. It's the level at which an organization is placed in a particular

industry various measures are used to measure it, ranging from gross sales, profit, market share, competitive advantage and customer rating. Performance of an industry in an economy could best be measured in terms of time taken to finish and costs incurred in relation to the original planned project duration and financial budget Ubeku (1983).

The term performance will be used as a global concept that represents the results of organizational activities. Effectiveness and efficiency will be reviewed as components of performance.

Measures of Performance

- Performance refers to how well one does a piece of work or activity and the ability to bring about desired results in the satisfactory manner. Good performance is an indicator of success and development.
- The perspective of organizational performance is considered as a function of organization ability to reach and maintain equilibrium with its environment
- Performance dimension should be reduced to clear setting of targets. Measurable in quantity as well as time and can be captured in an effective information system
- According to Sultan (1997) business performance can be measured by many indicators for instance asset base, market share, quality, customer satisfaction and profitability. He however contends that satisfaction with using financial measures to gauge business performance has been expressed by some researchers based on the intensity and nature of criticism directed at the traditional accounting systems that are often harmful to the evaluation process. For purposes of this study, organizational performance will be measured using profit figures.

Characteristic of Performing Organization

Learning Organizations

Poor organizational performance has been defined as characterizing of sluggishness, excess bureaucracy and over control of organizations as frustrating the self-development effort of individual members and failing to capitalize on potential.

According to Margerison (1976) learning organizations which facilitate the learning of all its members and continually transform itself in other words, they are organization where learning is greater than, or at least equal to the rate of change that is taking place in the environment in which it operates. It therefore seen as a way of keeping ahead of the competitors and gaining competitive advantage.

Individual Performance

There are individual variables that have been recognized as having a positive impact on performance. These variables include commitment both attitudinal and behavioral,

empowerment, leadership, culture, Flexibility and learning. Keeney (1990) argues that the organization will benefit from unleashing the reserves of labour resourcefulness by facilitating employee responsibility, commitment and involvement. Leadership, rather than management, is often identified as one of the keys to a high-performance organization. It is seen as the power to inspire and motivate the ability to employees with the desire to change the organization and to be the best.

Culture has also been linked to organizational effectiveness. Meek (1992) suggests that there is an assumption that culture will unite all employees behind the stated goals of the business. He further agrees that strong organizations cultures are associated with excellence.

Total Quality Management

According to Torrington and Hall (1997) Identified in their study of companies that those who adapted TQM processes experienced overall better performance in terms of employee relationship, productivity customer satisfaction, market share and improved productivity TQM is therefore a long-term strategy for improvement.

Managing Organizational Performance

Focus of five ES of Managing Performance

Economy The cost of all the inputs of an organization. Organization should analyses all the inputs and acquire them at least monetary cost. This is what sourcing globally is all about. Because of globalization and development in telecommunication and computer technology, access to global networks becomes possible and facilitates global sourcing.

Efficiency, efficiency refers to the relationship between input and output and it is usually expressed as a ratio. Having obtained low costs inputs, they should be utilized and deployed productively. The focus should be on productivity producing more with same inputs or producing more with same input or producing more with same inputs or producing more with proportionally fewer inputs.

Employees As far as employees are concerned organizations should invest in their employees to enable them to gain new competencies of the Organizations employees.

Ethics leaders not only must lead but they also must follow depends on their own personnel values and the values they want to impress upon the organizations they lead. Their values and their mission will drive the performance of their organization.

Environment environmental considerations are acquiring more attention from various stakeholders such as shareholders do press the company to publish regular audits, social and environmental performance.

Keep Score of Achievement and Performance

Organizations need maps of their journey and destination they constantly have to review their routes and keep score of their achievement. Score cards should incorporate various perspectives that drive performance.

Professor Kaplan has given as the basic framework the responsibility falls on all organization to adopt and adapt score cards according to their needs and the nature of their business.

Differentiate on the Basis of your Customers and Employees

Organizations should not shift their focus from customers it is very easy and tempting to get involved in measuring everything and get into the measuring trap thereby forgetting the achievement of an organization. The differentiating factor in the new millenniums is going to be focusing on customer retention, needs and loyalty. Yes, many organizations in the 1990s have attempted to be customer driven, but paying service as some organizations have done, is not enough the true measures of survival and performance is going to be customer retention and loyalty. And it is important to bear in mind that it is not system but people who deliver customer service

Conclusion

Employee relationship is the major factor determining the performance of employees. Good relationship with employees can be created through motivating employees, effective communication, good working conditions and effective communication. Deming (1997) as he cited workforce as a major contributor to higher productivity levels. A basic obligation of employees is adequate performance. How well an employee fulfills his or her obligation depends on the degree to which the management and the employees on what define satisfactory performance. The values, beliefs and behavior of the enterprise's employees are held to occupy strategic role in corporate success. All organization which aims at high performance need to have a policy agenda to create relationship with their or working people, which support their business objectives what this therefore calls for is to have an employee management relation.