

## A STUDY ON EFFECTIVENESS OF GRIEVANCE HANDLING MECHANISM IN SERVICE BASED ORGANIZATIONS

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### ABSTRACT

A grievance is any discontent or feeling of unfairness and in the workplace, it should pertain to work. The objective of this paper is to determine the effective handling of the grievances faced by an employee. The study also looks for the root of grievance faced by an employee, grievance handling techniques, and the management procedures of resolving the grievances. In this study the satisfaction of employees, with the procedures for grievance handling. It was comprehended that; the employees were highly satisfied with the mechanism being followed. The paper extracted that the grievance handling procedure of any organization should be very sound for enhancing employee satisfaction. The sample size for this study is determined using KREJCIE AND MORGON TABLE. The grievance handling research were conducted among 226 employees of the company. Descriptive research was applied. The study has found that awareness of employees, level of satisfaction, factors influencing grievances, mutual understanding between employees and the organization. It was found that, grievance handling procedures should be improved for the organizational success.

**Key Words:** Grievance handling, Employee satisfaction, Mutual understanding, Awareness of employees.

### INTRODUCTION

Grievance handling involves addressing complaints or dissatisfaction from employees regarding their work situation. A grievance can be formal or informal, justifiable or unjustified, and may relate to various aspects such as wages, working conditions, organizational changes, or interpersonal relations. It's crucial to distinguish between grievances, complaints, and general unhappiness. Grievances can stem from economic factors like wages, issues in the work environment such as poor conditions or faulty equipment, organizational changes, employee relations, and other issues like safety procedures or disciplinary actions. Addressing grievances involves understanding their causes and implementing appropriate measures to resolve them effectively. Effective grievance handling is crucial for maintaining positive employee relations and organizational productivity. It involves a systematic approach that begins with receiving and acknowledging grievances, followed by thorough investigation to understand their root causes. Clear communication with employees throughout the process fosters trust and transparency. Analyzing grievances leads to appropriate resolutions, whether through direct action, mediation, or policy changes. Follow-up ensures employee satisfaction and helps prevent recurrence. Proper documentation is essential for record-keeping and identifying areas for improvement. By implementing a fair and transparent grievance handling process, organizations can address employee concerns effectively, enhance morale, and promote a positive work environment conducive to success.

## REVIEW OF LITERATURE

**Priyanka R. Naagar (2023):** Empirically investigates the impact of grievance handling procedures on employee satisfaction in Indian corporations, focusing on top and middle-level employees. Bootstrapping analysis further validates this positive impact. The study underscores the importance of effective grievance redressal mechanisms in enhancing employee satisfaction within the Indian corporate context.

**Thushanika, Pakkiyarasa (2022):** The main purpose of this research is to identify the impact of the grievance Handling Procedure on Employee Motivation in the Textile industry in Sri Lanka. Finally, Coordinate several institutions including the government to give better prospects for employees within and outside of the organization for a better future of employees to achieve the sustainable development of our country.

**Serena Aktar October (2021):** Emphasized the vital importance of a harmonious employer-employee relationship for organizational success. Structural aspects of grievance procedures were statistically insignificant. The study concludes that well-trained managers and supervisors, coupled with effective grievance resolution, foster positive employee sentiments, enhancing overall satisfaction and productivity.

**V Krishna Priya April (2020):** The study investigates the impact of effective grievance handling on employee satisfaction. It aims to identify grievance causes, assess effectiveness, measure employee satisfaction, and offer improvement suggestions. Results suggest that satisfied employees exhibit greater commitment to the organization.

**Dr.M. Dhanabhakym, Monish P (2019):** Employee grievances encompass various issues such as salary, performance appraisal, job stress, security, and health. A fair grievance management system is essential for resolution and employee retention. This study evaluates employee perceptions of grievance management and its impact on job commitment among IT employees in Kozhikode Cyber Park.

**Rachitha D (2019):** The paper examines the influence of employee grievance management on productivity within the food industry. It seeks to understand the causes, sources, and resolution efforts of grievances, alongside supervisor behavior and remedial measures. Analysis utilized charts and statistical tools like percentage analysis and chi-square tests to evaluate the extent of employee grievances and their impact on productivity.

**M.M.SUCHARITHA (2019):** To evaluate the effectiveness of the Grievance Handling Procedure, it's crucial to first ascertain employees' awareness of the mechanism through surveys or interviews. Finally, measuring employee satisfaction with the procedure determines its overall efficacy.

**Adithi Pradeep, Alfiya Niha, Gopika Gopan, Vinod Kumar K (2018):** A study on best practices in grievance handling at HOMCO in Kerala aimed to evaluate the effectiveness of its system and employee satisfaction. The findings highlighted that a significant number of complaints pertained to working conditions and salaries. Addressing these issues could enhance employee satisfaction and improve the efficacy of the grievance management process at HOMCO.

**Arindamgarg (2018):** A study on the effectiveness of grievance handling at Arunachal Pradesh State Cooperative Apex Bank Limited aimed to gauge employee awareness and identify influencing factors. However, regular follow-up was acknowledged positively by most employees to ensure correct grievance resolution. Additionally, a majority were aware of grievance redressal committees, indicating a baseline level of organizational awareness.

**G Karthi (2017):** A study on employee grievance handling at Amrita Dairy Private Limited, Erode, examined employee perceptions and ranked main grievance causes. Findings indicated employee awareness of grievance redressal committees. A majority appreciated the organization's friendly approach to grievance management and preferred the open-door policy for grievance identification.

**Rupali Dilip Taru (2016):** This paper aims to explore effective grievance handling in the workplace, focusing on common factors like wages, working environment, promotions, transfers, communication, and interdepartmental relationships. It delves into identifying the roots of grievances, grievance handling techniques, and management procedures for resolution. Effective grievance handling fosters positive employee relations, ensuring smooth organizational functioning and heightened productivity.

## OBJECTIVES OF THE STUDY

- To study on Effectiveness of grievance handling mechanism in Service Based Organization.
- To know that the employees are aware about grievance handling mechanism in the organization
- To identify the factors influencing the effectiveness of grievance handling mechanism
- To know the level of satisfaction towards the grievance handling procedure of the organization
- To identify that the grievance handling system leads to a mutual understanding between workers to the management.
- To identify perceived fairness and equity of the grievance handling process.

## NEED OF THE STUDY

The need of this Study tries to investigate the impact of the perfect grievance handling system towards the performance of the employees in the organization. The quality of employees output in any organization is directly dependent upon how the organization approaches handles is of paramount important in any organization which has career and concern for its employees with a paternalistic and attitude. Failure to handle in grievance time will result in a higher negative moral will reflect upon the organization health. Organizations that prioritize effective grievance handling are better positioned to attract and retain top talent, ultimately gaining a competitive edge in the market. Through a comprehensive examination of grievance handling practices, organizations can foster a positive work culture, drive employee engagement, and ultimately achieve their strategic objectives.

## SCOPE OF THE STUDY

The scope of the study will help us to study the relationship between grievance handling system and performance of the employees in the organization. This study will help to identify the needs and requirements of the employees in the organization. This study will help to identify the difficulties of the employees in the organization. Moreover, the study endeavors to evaluate the level of satisfaction among employees regarding the effectiveness of the grievance handling system in addressing their concerns promptly and equitably. Furthermore, it delves into the dynamics of communication and mutual understanding between workers and management concerning grievance resolution, aiming to uncover any potential gaps or barriers to effective dialogue. Lastly, the study aims to elucidate employees' perceptions of the overall fairness and equity of the grievance handling process, including their views on issues of bias or discrimination. This study helps to know the perception of the management of the organization and its mission, vision, principle and practices. This project highlights the scope for future improvements in the grievance handling system.

## RESEARCH METHODOLOGY

The research design adopted in this study is Descriptive Research. Descriptive research is are search method describing the characteristics of the population or phenomenon studied. The primary data collection techniques used in this study is QUESTIONNAIRE METHOD. In this study, the major questionnaire technique used is Close Ended Questions. The sampling method used in this study is PROBABILITY SAMPLING. Probability sampling is a sampling technique where a researcher selects a few criteria and chooses members of a population randomly. The sampling technique used in this study is Simple Random Sampling. The sample size for this study is determined using KREJCIE AND MORGON TABLE. The sample size for this study is 226, which is derived from the total number of employees in the organization, i.e., population(N) of 550. The collected data has been analyzed by the following statistical tool:

- 1) Mann-Whi-tney U Test
- 2) Kruskal Wallis H Test

## DATA ANALYSIS AND INTERPRETATION

### MANN-WHITNEY U TEST

#### MANN-WHITNEY U TEST WITH GENDER AS GROUPING VARIABLE

**Hypothesis:**

H0: There is no significant difference between the mean rank of male & female with respect to the variables.

H1: There is a significant difference between the mean rank of male & female with respect to the variables.

#### TABLE SHOWING U TEST SIGNIFICANCE WITH GENDER AS GROUPING VARIABLE

Test Statistics<sup>a</sup>

	Awareness of Employees	Level of Satisfaction	Factors Influencing Grievances	Mutual Understanding Between Employees and the Organization	Perceived Fairness and Equity
<b>Mann-Whitney U</b>	6130.500	5810.500	6022.000	5507.500	5223.500
<b>Wilcoxon W</b>	10786.500	10466.500	10678.000	10163.500	9879.500
<b>Z</b>	-.226	-.888	-.450	-1.512	-2.098
<b>Asymp. Sig. (2-tailed)</b>	.821	.375	.653	.130	.036

a. Grouping Variable: Gender

### INTERPRETATION

The Mann – Whitney U test was conducted on the sample data, and it is found that the significance value (P value) for all the variables is more than 0.05 i.e.,  $P > 0.05$ . Therefore, the null hypothesis (H0) is accepted. There is no statistically significant difference between the mean rank of male & female with respect to the variables Awareness of Employees, Level of Satisfaction, Factors Influencing Grievances, Mutual Understanding Between Employees and the Organization and Perceived Fairness and Equity. The alternative hypothesis is rejected.

**KRUSKAL WALLIS H TEST**

**Hypothesis:**

H0: There is no significant difference between the mean rank of the employees age with respect to the variables.

H1: There is a significant difference between the mean rank of the employees age with respect to the variables.

**TABLE SHOWING H TEST SIGNIFICANCE WITH AGE AS GROUPING VARIABLE**

Test Statistics<sup>a,b</sup>

	Awareness of Employees	Level of Satisfaction	Factors Influencing Grievances	Mutual Understanding Between Employees and the Organization	Perceived Fairness and Equity
<b>Chi-Square</b>	3.643	6.722	8.661	5.797	13.771
<b>df</b>	4	4	4	4	4
<b>Asymp. Sig.</b>	.456	.151	.070	.215	.008

a. Kruskal Wallis Test

b. Grouping Variable: Age

**INTERPRETATION**

The Kruskal Wallis H test was conducted on the sample data, and it is found that the significance value (P value) for all the variables is more than 0.05 i.e.,  $P < 0.05$ . Therefore, the null hypothesis (H0) is accepted. There is no significant difference between the age of the employees with respect to the variables Awareness of Employees, Level of Satisfaction, Factors Influencing Grievances, Mutual Understanding Between Employees and the Organization and Perceived Fairness and Equity. So, the alternative hypothesis is rejected.

**FINDINGS**

It is found that 57.5% of the respondents are male. 28.3% of the respondents belong to the age group of 36-45 years. 61.1% of the respondents are unmarried. 27.9% of the respondents are UG. 29.6% of the respondents have experience of 10-15 years with the company. 28.3% of the respondents are aware of grievance handling policies and procedures of the organization are very much familiar to the employees. 31.4% of the respondents are Very Satisfied of speed at which their grievances are typically addressed. 52.2% of the employees agree that the organizational policies and procedures play a role in causing employee grievances. 52.7% of the respondents agree that they feel comfortable expressing their grievances to supervisor/manager. 31.9% of the respondents says that the organization treatment of employee grievances compared to other workplace issues are very fair.

The Mann – Whitney U test is found that there is no statistically significant difference between the mean rank of male & female with respect to the variables Awareness of Employees, Level of Satisfaction, Factors Influencing Grievances, Mutual Understanding Between Employees and the Organization and Perceived Fairness and Equity. The Kruskal Wallis H test is found that There is no significant difference between the age of the employees with respect to the variables Awareness of Employees, Level of Satisfaction, Factors Influencing Grievances, Mutual Understanding Between Employees and the Organization and Perceived Fairness and Equity.

## **SUGGESTIONS**

To get rid of grievance, awareness survey must be conducted half yearly or yearly to find out whether the new entrants are aware about such procedure. If not then take appropriate steps to ensure that all are aware about grievance handling mechanism. Employees participation, suggestion, ideas need to be encouraged by supervisor which will motivate the employees and will result in higher level of job satisfaction. A system of suggestion box can be implement which will facilitate the employees to give their suggestion to improve the organization and performance of employees. Recreation facilitates, like sports, picnic and other that will lead to reduce the stress level of employees. Temporary relief measures are there but needs to increase to ensure that the frustration and anxiety of the employees does not increase, this will help to keep the employees motivate and will contribute to productivity. Organization can improve good employee's relation to avoid grievances. Proactive conflict management in the organization will be helpful to reduce the number of grievance rates. Employees who file grievances should be acknowledged and valued, regardless of the resolution. Provide a way for staff members to comment on how satisfied they are with the grievance management procedure.

## **CONCLUSION**

In conclusion, the findings of this study to ensure that the grievances should be received and stable promptly, so that the workers get the necessary intelligence of satisfaction. Implementing measures such as suggestion boxes, recreational facilities, and temporary relief measures can help alleviate employee stress and boost morale, ultimately contributing to higher levels of job satisfaction and productivity. Additionally, fostering good employee relations and implementing proactive conflict management strategies can help prevent grievances from arising in the first place. All grievances cannot be resolved in this step, as these may be beyond the authority and competence of the manager. In the next step, the mid-level manager, generally the personnel officer, along with a mid-union officer attempt to tackle the grievance. Moreover, the emphasis on proactive conflict management and the encouragement of employee participation not only mitigate potential grievances but also foster stronger relationships between management and staff. This approach not only enhances job satisfaction but also boosts morale and overall organizational performance. In conclusion, by embracing these suggestions and integrating them into the grievance handling framework, the organization can not only effectively address existing grievances but also proactively prevent future issues. Ultimately, this leads to a more harmonious and productive workplace, where employees are motivated, engaged, and committed to the organization's success.

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