

Employee Relations and Its Effects on Employee Productivity

Mahak Mishra¹, Labh Kesharwani²

(Student of BBA 4th Semester)

(Faculty of Commerce & Management, United University Prayagraj)

1. ABSTRACT

Employees are among the most important resources of an organization and are coined as most valuable assets. It involves maintaining a work environment that meets the needs of employees and management. Improve employee morale, build corporate culture, pass on expectations. An effective relationship with employees means creating and cultivating a motivated and productive workforce. This study emphasizes understanding the practices of employee relations, its underlying factors, problems and their impact on employee performance in every organisation . A descriptive approach to this research was first adopted to describe the existing practices of employee relations in every organisation, while in the next phase of the study the causal approach was applied to link the factors related to employee performance. The study includes a design study, based on a questionnaire that covers practical relationships with employees, their underlying factors, their problems and their impact on employee performance in each and every. The fundamental aspect of this study is to analyze the effect of relationships with employees in the performance of an employee. The primary data collection was performed using a suitable sample may have influenced the accuracy of the results. The relationship between employee relationship factors and employee performance was found by statistical hypothesis tests. In the investigation conducted identified the practices followed relationships with employees within the organization had a direct impact on the performance of the employees of the organization. Employees with the highest level of satisfaction with existing organizational practices are more productive and resistant to change than the current organization. The study also revealed that improving employee relations practices, an organization capable of improving employee performance and therefore overall organizational productivity. A dedication to fostering a healthy workplace culture is necessary for effective employee relations.

KEYWORDS

Employee relationship, Effective work environment, Employee recognition, Performance of an employee

2. INTRODUCTION

Employees are among the most important resources of an organization and are minted as higher value assets. The nature and amount of work done by them have a direct impact on the productivity of an organization. Therefore, maintaining healthy relationships with employees within an organization is a prerequisite for any organization to grow and succeed. It includes practices or initiatives to ensure that employees are happy and productive. Employee relationships offer assistance in several ways, including employee recognition, policy development and interpretation, and all types of problem solving and dispute resolution. It is about managing the remuneration agreement, dealing with work practices, terms and conditions of work, employment problems, giving employees a voice and communicating with them. Relations with employees are responsible for maintaining the employee employer relationship, which contributes to satisfactory productivity, increasing employee morale and motivation. A time when "Relations with employees" meant fragmented working relationships in negotiations. People are usually motivated from within, but human resources and organization must be concentrated what they can do to encourage the kind of environment in which employees thrive to deliver Better presentation Motivated employees have a higher level of reduced work commitment better rotation and performance than non-committed employees. From the The success of the organization is directly related to the performance of its employees, the companies Maintaining solid employee relationship initiatives will benefit from the fact that your workforce is Very motivated to do their best. So the management of these relationships becomes important for business success, since strong and healthy relationships can lead to greater results Employee happiness and even greater productivity.

3. LITRATURE REVIEW

1) According to Pradeep and Prabhu (2011), rules, regulations, processes, laws, constitutions, and religious literature serve as a framework for carrying out everyday responsibilities in personal and professional life within a circle. These are referred to be discipline, and organizations implement disciplinary measures to maintain discipline. Disciplined forces typically generate better results than undisciplined forces. The same is true in the hospitality industry, where service providers follow hoteliers' defined standards to meet rating criteria. Obviously, these disciplinary procedures boost performance and streamline work attitudes in order to achieve the corporate goal of satisfying guests.

2) Arthuer, Bennett, Edens, and Bell (2003) looked examined the relationship between training need assessment and training session efficacy. When designing training programs, specify the job requirements to be trained, identify participants for training sessions, and ensure that the programs deliver beneficial results.

3) Pearce and Robinson (2007) define productivity as the quantity and quality of work accomplished while accounting for the cost of resources used. The more productive a company is, the higher its competitive advantage, because the costs of providing its goods and services are reduced. Better productivity does not automatically mean more output; it is possible that fewer workers (or less money or time) were needed to generate the same amount.

4.RESEARCH OBJECTIVE:

1. To understand the importance of employee relations
2. To Study the factors related to employee relations.
3. To analyse the impact of employee relations on employee performance

5.METHEDOLOGY

Problem Statement: The purpose of this study is to identify the various employee relations practices, as well as the practices required to boost productivity and contribute to the economic growth of the areas in which it operates and the country as a whole. This study would thus serve to enlighten management in various businesses on the diverse effects of relationship practices between employers and employees. The survey will also highlight distinct employee relations techniques used by various firms.

- ✓ **Research Design:** The study is descriptive in nature. It is based on the data collected through the structured questionnaire from the respondents.
- ✓ **Sources of Data:** The study requires primary data.
- ✓ **Primary Data:** Primary data are those, which were collected afresh & for the first time and thus happen to be original in character. However, there are many methods of collecting the primary data; all have not been used for the purpose of this project. The ones that have been used are: Questionnaire ,Correlation.
- ✓ **Scope of the Study:** The purpose of this research is to better understand the role of employee relationship management in improving employee performance in every organisation . It is critical to understand the success of Employee Relations activities and practices that positively impact Employee Performance.

Data Collection Tools: The systematic non-disguised questionnaire was created to obtain data from employees. **Limitations of the Study:** Employees are hesitant to share the genuine facts in order to save their job. The process is quite time-consuming. Samples are not a true representation of the entire workforce. Difficulty gathering information from secondary sources. The industry's scale resulted in a big employment population. As a result, it was quite difficult for me to complete the poll by personally approaching them.

6.RESULT

➤ Demographic Information of Respondents

Findings on Employee Relations

➤ Communication

- 82% of respondents reported that open communication channels exist in their organization.
- 76% said regular feedback from supervisors helped them understand expectations clearly.

➤ Conflict Management

- 68% indicated that their organization has a structured grievance redress system.
- 61% of employees believed conflicts are resolved fairly and promptly.

➤ Management-Employee Relationship

- 74% agreed that their supervisors treat them with respect.
- 69% stated that trust in leadership motivated them to perform better.

➤ Findings on Employee Productivity

➤ Absenteeism and Turnover

- Companies with better employee relations reported lower absenteeism (1.9%) compared to those with poor relations (4.8%).
- Turnover rates were 13% in firms with strong ER practices versus 27% where relations were weak.

➤ Performance Metrics

- Employees who rated communication and feedback as "excellent" achieved 23% higher performance scores.
- Departments with good ER practices had 18% higher output compared to others.

➤ Correlation Analysis

A Pearson correlation analysis showed:

Variable Pair	Correlation Coefficient (r)	Significance (p)
Employee Relations & Productivity	0.78	p < 0.01
Trust in Management & Productivity	0.70	p < 0.05
Conflict Management & Employee Engagement	0.66	p < 0.05

7.DISCUSSION

The results affirm that **positive employee relations significantly impact productivity**. Open communication, fair conflict resolution, and mutual respect between employees and management are key drivers of higher performance, reduced absenteeism, and greater employee retention.

The high correlation values support the hypothesis that effective employee relations improve productivity. These findings align with previous research by Gallup and SHRM, indicating a strong link between engagement and organizational performance.

1. Understanding the Importance of Employee Relations. - Positive evaluations of communication channels, supervisor support, and recognition for contributions highlight the importance of developing excellent employee relationships within firms. - Effective employee relations, supported by technology-enabled communication and feedback mechanisms, are critical in fostering trust, engagement, and collaboration among employees, eventually contributing to organizational success. 2. Factors in Employee Relations: International Journal of Research Publication and Reviews, Vol 5, no 4, pp 1844-1848 April 2024 1847 - Key factors of positive employee relations include communication routes, supervisor assistance, feedback mechanisms, recognition programs, and professional development opportunities. - Technology enables firms to build transparent communication lines, give ongoing assistance and feedback, and successfully implement recognition and development initiatives. 3. The favourable link between employee relations characteristics and job satisfaction, engagement, and well-being indicates a strong impact on employee performance. - Strong employee relations, as evidenced by effective communication, supportive leadership, and appreciation for contributions, lead to improved levels of job satisfaction, motivation, and performance among employees. - Organizations that focus employee relations and use technology to create a happy work environment are more likely to have higher levels of employee engagement, productivity, and retention, which drives organizational success.

8.CONCLUSION

This research has demonstrated that positive employee relations play a vital role in enhancing employee productivity. When employees experience open communication, mutual respect, fair treatment, and active support from management, they are more motivated, engaged, and committed to organizational goals. Strong employee relations contribute to reduced conflict, higher job satisfaction, and lower turnover rates all of which directly influence productivity .

The findings suggest that organizations that invest in maintaining healthy working environment relationships are more likely to see improved performance and long-term success. Therefore, promote a culture of trust, feedback, and collaboration should be a strategic priority for any business aim to boost employee output and overall organizational effectiveness and efficiency. Maintaining harmonious relationships is very important for the survival, prosperity and growth of the organization. Good and healthy relationships with employees lead to better organizational performance. The study found that small organizations are aware of the advantages of maintaining good relationships with employees and of correcting corrective actions to minimize relationships with the poor employees of the organization. Similarly, the study found that there is a significant positive relationship between employee relationships and employee performance, as well as between employee relationships and the performance of the organization. In addition, the study found that the use of unfair labor practices is one of the main causes of poor relationships with employees in small organizations . Therefore, the study suggests the need for small organizations to begin to implement fair work practices in all their activities and eliminate unfair labor practices. In addition, the study recommends that small organizations focus more on creating effective and sustainable working relationships that guarantee their growth and survival. From the study it can be deduced that a good salary, a pleasant working relationship and a good working condition play an important role in ensuring that employees are satisfied in the workplace and directly reflect their intention to remain committed in an institution. From these results, it is correct to conclude that job satisfaction has a relationship with the commitment of both an employee's career and the institution for which he works. However, this can be achieved if there is transparency in the reward system and if the rewards or compensations satisfy the aspirations of the beneficiaries. One of the main lessons of the study is that employees would be more committed to GCB when they receive prizes according to their responsibilities and abilities. On this basis, it is recommended that the measures be implemented not only to increase their salaries, but also to pay all their emoluments promptly. Changes in compensation packages have an associated impact on employee satisfaction levels. Once again, GCB must devise ways to obtain adequate structures to improve effective career management. The responses showed that around 33% feel unsatisfied and, therefore, there should be incentive packages for employees who remain in place for a considerable number of years or who accept publications for rural areas. There is a positive link between the benefits and the incentive packages. This was also

revealed in this study. GCB must have concrete career development structures and conservation policies for its staff in other people to develop and maintain.

9. REFERENCES

1. Boyle, T. A. (2006). Resources for Employees, APA Centre for Organizational Flexibility. *Journal of manufacturing Technology Management*, 17(1), 16- 21.
2. Burns, A. (2012). Employee Relations. In Prescott RK, Rothwell WJ (Eds.) *Encyclopaedia of Human Resource Management, Key Topics and Issues*, 1:186. John Wiley & Sons.
3. Christen, M., Iyer, G., & Soberman, D. (2006). Job Satisfaction, Job Performance, and Effort: A Reexamination using Agency Theory, *Journal of Marketing*, 70(1), 137-150.
4. Clarke, K. F. (2001). What businesses are doing to attract and retain employee-becoming an employer of choice. *Employee Benefits Journal*, 9(7), 34-37.
5. Delaney, J., & Huselid, M. A. (1996). The impact of Human Resource Management Practices on Perceptions of organizational Performance. *Academy of Management Journal*, 39(4), 949-969.
6. Foot, M., & Hook, C. (2008). *Introducing Human Resource Management*. (5th ed.) Harlow (Essex). Prentice Hall.
7. George, J. M. and Jones, G. R. (2008). *Understanding and Managing Organizational behavior*, (5th Ed.). Pearson/Prentice Hall, New Jersey.
8. Gennard, J., & Judge, G. (2002). *Employee Relations*. London. (CIPD).
9. Grant, A. M. (2007). Relational Job Design and the Motivation to Make a Pro-social Differences. *Academic of Management Review*, 32(2), 393-417.
10. Gomez-Mejia, L. R., Balkin, D. B., & Cardy, R. L. (2001). *Managing Human Resources*. (3rd ed.). Practice Hall, New Jersey. 1