

# A Study On The Employee Engagement And Grievances In Automobile Industry

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## ABSTRACT

This study is conducted on employees working in automobile industry in Chennai to understand the extent of employee engagement in the organization. Employee engagement is the level of commitment and involvement an employee has towards the organization and its values. An engaged employee is known of business context, and works with coworkers to improve performance at the job for the benefit of the organization. It is a positive behaviour held by the employees towards the organization and its values. Engagement at work as the 'harnessing of organizational members' selves to their work. A sample size of fifty was taken in order to conduct research. Random sampling technique was used in order to conduct the survey. The data was collected by interviewing the respondents with the help of a structured questionnaire. As a result of implementing these practices, the automobile industries can easily improve organization effectiveness.

**Keywords:** Employees, Engagement, Automobile Industry and Employee commitment.

## INTRODUCTION

Indian automobile industry is at its nascent stage at the beginning of the 21<sup>st</sup> century. But now it has become a huge industry contributing a major share to the growth and development of Indian Economy. This industry is grown at the right pace until the financial year 2020-21 to achieve the targets set in AMP 2020. However, the industry witnessed two difficult years, FY18 and FY19, in which the segments across the industry witnessed de-growth, carrying nearly 60% surplus production capacity.

During the last two financial years the current changes in Government policy, reduction in excise duty and consumer

sentiments have brought the industry out from the bottoms. The Government recognized the fact that automobile industry is one of the highest taxed industry and these high taxes are acting as a deterrent for growth of the industry. Hence, in the interim budget 2020-21 excise duties on all products across various segments within automobile industry were reduced. The auto industry's contribution to GDP would rise from nearly 5% to 10%, thus making it a greater driving force of our economy. As envisaged, the industry has made major investments to achieve the targets set. The industry has made investments to the tune of Rs 50,000 crores in the last three financial years.

In the dynamics of transition of the Indian economy the manufacturing industry is emerging as one of the leading industries. The manufacturing industry in India has all the qualities which enhance economic development, improve the productivity of the manufacturing industry and face competition from the worldwide markets. The Manufacturing industry in India is known to have the potential of improving the economic condition of India. India's manufacturing units are classified into registered and unregistered sectors.

Indian manufacturers have adopted a global mind-set while carefully selecting their product part. They are continuously working to accomplish cost excellence and marketing capability which has even attracted foreign players to proactively develop India as their sourcing and manufacturing centre. India experience a competitive advantage on the global canvas owing to key reforms in taxation, infrastructure and clusters (like special economic zones [SEZs]) implemented by the Government, efficacy of reasonably-priced skilled labour workforce and a normative eco-system. Moreover, the global stage to manufacture and source products in low-cost countries has gained pace in the past ten years, detail in skill-intensive unit, and India has been able to take action on the opportunity to its best.

Manufacturing sector is the backbone of any country. It maintains growth, productivity, employment, and stronger agriculture and service sectors. India's manufacturing segment is a crucial cog in the wheel of economic progress; the sector's contribution to the gross domestic product (GDP) being 16 per cent. Thus, The Indian manufacturing sector is the mainstay of entire Indian industry as manufacturing output constitutes over 75 per cent of the index of industrial production.

Most organisations today realise that a 'satisfied' employee is not necessarily the 'best' employee in terms of

loyalty and productivity. It is only an 'engaged employee' who is intellectually and emotionally bound with the organisation, feels intense about its goals and is committed towards its values. He goes the extra mile beyond the basic job responsibility and is associated with the actions that drive the business. Moreover, in times of decreasing loyalty, employee engagement is a potent retention strategy. Engagement at work was conceptualized by Kahn as the 'harnessing of organizational members' selves to their work roles.

Employee Engagement is thus the level of obligation and involvement an employee has towards their organization and its values. An engaged employee is known of business context, and works with coworkers to improve performance within the job for the benefit of the organization. The organization must work to improve and to bring up engagement, which requires a two-way connection between employer and employee. Thus Employee Engagement is a measure that determines the association of a person with the organization.

Employee engagement is a key business driver for organizational success. Every organization wants to gain competitive advantages over others and employee engagement is the best tool for it. Engagement is creating prospect for human resources to attach with their managers, employees and organization. It's interest is to shape an environment where employees are motivated and connected with their job in real caring manner to do a high-quality job.

High levels of engagement in domestic and global firms promote retain of talent, foster customer loyalty and increase organizational performance and stakeholder worth. A complicated concept, engagement is influenced by many factors-from company culture, organizational communication and managerial styles to credit and respect, leadership and company reputation.

When employees are effectively and positively engaged with their organization they form an emotional connection with the company. This impacts their behaviour towards the company's customers, and thereby increases customer satisfaction and service levels.

HR practitioners believe that the engagement challenge has a lot to do with how employee feels about the work experience and how he or she is treated in the company. It has a lot to do with feelings which are fundamentally related to drive bottom line success in a company. There will always be people who don't give their best efforts no matter how hard

HR and line managers try to encourage them, but for the most part employees want to commit to companies because doing so satisfies a powerful and a basic need in connect with and contribute to something significant.

A successful employee engagement helps to create a community at the workplace and not just workers. As organizations go worldwide and become more dependent on technology in a virtual company, there is a greater need to connect and engage with employees to provide them with an organizational identity. Engagement is most closely associated with the existing construction of job involvement. Job involvement is the level to which the job situation is central to the person and his or her identity, job involvement is a cognitive or belief state of psychological identification. Job involvement is thought to rely on both need salience and the potential of a job to satisfy these needs.

Thus job involvement results from a cognitive judgment about the needs satisfying capacity of the job. Jobs in this view are tied to one's conception. Engagement differs from job as it is interested more with how the individual employees perform his/her job. There has been an increase in recognizing and identifying the importance of employees and their involvement with the job. Different companies across the world would have accepted the fact that the lack of recognizing and the attrition rate of employees is one of the factors hindering the success of any establishment. Hence, the main aim and focus of the study is to understand the effectiveness of employee engagement activities that leads to Retain, Recognize, and Reward the employees that would intern motivate them.

## **BACKGROUND OF THE STUDY**

The search and review of the literature is also a critical evaluation, analysis and synthesis of the existing knowledge relevant to the research problem. To understand a problem in a proper perspective, it is essential to have primary information on related concepts from the past studies.

From the above studies it is clearly implicated that organizational support is inevitable to all organizations which has to accomplish its goal effectively and efficiently. Perceived organizational support may be used as an indicator of the benevolent intent of the organization in the employer - employee relationship.

## **REVIEW OF LITERATURE**

Marathe and Chandra (2017) stated that helping citizens to resolve grievances is an important part of many e-governance initiatives. Further they have examined two contemporary initiatives that use ICTs to help citizens resolve grievances in central India. One system is a state-run call centre (the CM Helpline), while the other is an independent citizen journalism service (CGNet Swara). In the year 2021 a multilevel governance framework on grievance redressal for patient rights violations in India covered patient rights, the obligation of the state and healthcare providers to respect the dignity, autonomy and equality of persons seeking care in the health care process.

Eapen (2018) emphasized that the grievance redressal mechanism of an organization is an important instrument to measure efficient and effectiveness for organisation, as it provides important feedback on the working of that organization. The study also illustrated the importance of good governance. The Government of India has established an internet based Centralized Public Grievances Redress and Monitoring System (CPGRAMS) to facilitate all citizens to lodge grievances for redressal.

Bhatnagar (2019) mentioned in his manual about the demand is the basic step towards designing a portal project in the private sector, which has been a weak point in e-government portal projects. The supply side elements, on the other hand, influence the choice of services from feasibility point of view. He explained the Key demand factors relevant to the e-government portal are: 1. Information infrastructure 2. Types of users 3. User acceptance 4. Consumer and business readiness for services. Key supply side factors relevant to e-government portal are:- 1. Level of back-end, front-end integration 2. Government online presence and administrative maturity. 3. Staff skills and training. 4. Available supporting services. Book serves as a practical guide for conceptualizing and implementing e government at the local, state and national levels provides an overview of the global experience in implementing the same.

#### OBJECTIVES OF THE STUDY

- To know the factors that influence for the effectiveness of Employees Engagement.

#### RESEARCH METHODOLOGY

Primary data is the data that is observed or collected by the researcher from first-hand experience. The primary data is collected directly from the source of study. The data is

collected through the structured questionnaires provided to the employees of the organization. The questionnaire was distributed to respondents of various departments in ashok leyland. Primary data was also collected by interviewing the employees directly.

Secondary data which the researcher obtained from published data or data collected in the past. The secondary data is collected from different journals, magazines, texts books, articles, websites and company records.

It is done using SPSS tests like KMO-BARTLET TEST to identify the sufficient sample. Reliability test was carried to know the reliability of the project. Hypothesis test is done to test the level of satisfaction of the employees. It is a Descriptive Research design

Personal Interaction and Questionnaire survey has been used for data collection.

Convenience Sampling method is applied. A sample of 50 employees have been approached for collecting data.

#### DATA ANALYSIS AND INTERPRETATION

To know the factors that contributes to the effectiveness of employee's engagement Factor analysis: Factor analysis has been done in this study to identify the factors that are to identify the factors that contribute to the effectiveness of Employees Engagement in Ashok leyland, Chennai.

For this purpose the searcher tested the reliability of the data collected using the Cronbach's Alpha test. The Cronbach Alpha is 0.776. It means the data collected for the study is reliable to the extent of 77.6% which is very good for the studies in the same areas (Table 1).

KMO and Bartlett's test: Before we load the items for factor analysis it is imperative to know the sample adequacy for the study we are using. To confirm the sample size is sufficient for the study the researchers used the KMO test. The value of KMO for the good study should be more than 0.50 and in our study it is 0.527 which is more than the required. This means that the selected sample for the study is sufficient as per the KMO. Bartlett's test has been conducted to know the correlation among the items chosen for the study. In this study the correlation among the selected items is significant and it is what the requirement for conducting the factor analysis using Principal Component Method (Table 2).

To firm which component goes to what factor we have to look at Rotated component matrix. The same has been shown below which is sorted by size and factor

Factor analysis interpretation: From the above analysis about different factors the first three questions are related to incentives and benefits and which is contributing 22.091% towards employee engagement. By this employees will get motivated and in turn increase their loyalty. The second factor explains about employees getting 13.17% equal opportunity and advancement in the organizations. This helps in creating good environment and also makes employees enthusiastic. The third factor allows employees participation in management and brings 11.42% leadership quality in them. This will reduce the wastage in productivity. The above analysis recognition and reward gives 9.56%. Suppose an employee meets the set target, he/she will be rewarded and recognized, this will make them to work better also motivates them. The communication contributes 8.29%. It leads to honesty and two way communication between all the levels of the employees and hence we could see easy flows of work in the organization employee are treated without any bias, irrespective of their designation. This will helps in mutual understanding between the employees. Also, employee can develop values among themselves. There is a balance between professional and personal life. So this will eliminate stress and in turn leads to better productivity (Table 3).

Table 1: Showing the Reliability Test.

<b>Reliability Statistics</b>	
<b>Cronbach's Alpha</b>	<b>N of Items</b>
0.776	20

Table 2: Showing the KMO and Bartlett's Test.

<b>KMO and Bartlett's Testa</b>		
<b>Kaiser-Meyer-Olkin Measure of Samplings Adequacy</b>		0.527
<b>Bartlett's Test of Sphericity</b>	Approx. Chi-Square	446.936
	Df	190
	Sig.	0.001*
a. Based on correlations		

To measure the level of employee's satisfaction at the workplace

Hypothesis design:  $H_0$  - the mean satisfaction level of employees towards different variables is equal to 3. Test value is 3 which is assumption. Since  $P < 0.0001$ , the null hypothesis that means the satisfaction using level measured using Likert scale is equal to 3 and conclude that the means satisfaction

rating of the employees is different than the assured value of 3 (Tables 3 and 4).

Table 3: Showing the Descriptive Statistics

	Mean	Std. Deviation	Std. Error Mean
<b>Better benefits</b>	3.80	0.606	0.085
<b>Value</b>	4.10	0.614	0.086
<b>Provide security</b>	4.14	0.495	0.070
<b>Leadership</b>	4.18	0.481	0.068
<b>Equal opportunity</b>	4.22	0.685	0.097

Table 5: Showing the Z-test Results.

One-Sample Test						
	Test Value = 3					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
<b>Better benefits</b>	9.333	49	0.001*	0.800	0.62	0.97
<b>Value</b>	12.659	49	0.001*	1.100	0.92	1.27
<b>Provide security</b>	16.276	49	0.001*	1.140	0.99	1.28
<b>Leadership</b>	17.314	49	0.001*	1.180	1.04	1.31
<b>Equal opportunity</b>	12.511	49	0.001*	1.224	1.02	1.42

## FINDINGS AND SUGGESTIONS

Most of the respondents belong to age group of 35-40 and above 40. Thereby we can conclude that most of the employees are experienced. Out of 50 respondents most of them are ITI and Diploma. In automobile industry so there is a requirement of technical specialized employees, thereby there is a demand for technical students. Most of the respondents working are more than 20 years and also they hiring new people and create opportunity and advancement for employees. Most of the respondents are motivated by providing better reward and recognition for the welfare of both company and employees.

From the study it is found that in there is opportunity and advancement for employees. Most of the respondents agree that employees are treated with respect and valued and there is an honest two way communication with motivated

employees. Most of the respondent feel satisfied in the job and get a sense of personal accomplishment, it is found from the respondent response and by the tests conducted that is Z test and reliability test.

Some of the employees are neutral with the factors incentives and benefits in the company. Such grievances must be addressed and taken care off. Induction program for new recruits may be made mandatory so they can get to know about internal and external company policies and can engage in work effectively and efficiently. There should be increase in motivational program so that it increases enthusiasm and recognition of the employees. There are employees who do not feel valued and involved in the job, the reason for such situation should be identified. This will help to increase engagement. A simple yet effective measure is to recognize good work. It fosters better relationship. Any good work, big or small must be recognized.

## **CONCLUSION**

Most studies demonstrate that it is valued by management, two way communications between management and employee's management interest employee's well-being and giving more opportunities for employees do not give much importance to pay and benefits.

Employee engagement plays a vital role for the success of any company. Employee engagement is a process which contain of various aspects, on fulfillment of which a worker becomes a loyal employee and performs at his high level coupled with job satisfaction and a feeling of belongingness. It is a positive behavior held by the employees towards the company and its values. It is gaining popularity, use and importance in the company and affects company in many ways.

Employee engagement leads to increased productivity, retention, client trust and profitability. Employees who believe that their employer cares about their health and wellbeing are more likely to be loyal and stay in their work for longer. This can bring huge gains for employers who deliver more effectively through increased productivity and performance and can reduce worker turnover, sickness absence and recruitment cost. When a person values a particular aspect of a job, his engagement is more greatly affected both positively and negatively, compared to one who doesn't value the aspect.

Hence, employee engagement is of more importance, where it tells the level of satisfaction of employees at work and

it is very important for a company to keep their employees satisfied because, happy employees are productive employees. Some practices like hiring new peoples at lower salary in order to alternate the existing employees, ignoring the complaints from employees, failing to recognize the work done are strictly to be avoided. As a result of implementing these practices, the automobile industries can easily motivate their employees, amplify the employees perceived organizational support, boost their production as well as productivity, make employee engagement, and finally enhance organization effectiveness..

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