

# Crucial Factors of Human Resource Management for Good Employee Relations: A Case Study

Roopali Bajaj, Shailni Sinha and Vineet Tiwari

**Abstract**— This paper tries to understand those crucial factors of Human resource Management which can positively build good Employee Relations in an organization. Though this study was carried out on Public Sectors in state of Madhya Pradesh (India) yet it can be generalized in any organization. It is expected that Employee Relation is good if there is feeling of togetherness and employees have harmonious relationship between themselves and management of the organization. Thus if Employee Relationship is quantified in terms of Human Resource Management factors then it is possible to explore and state the status of Employee Relation in an organization.

**Keywords**— Employee Relations, Human resource Management, Madhya Pradesh.

## I. INTRODUCTION

**H**UMAN Resource system is the central component and unique in any organization and controls other component in an organization like Finance, Marketing, Materials, Technology, Information and Production. In today's scenario where all other resources flow freely across borders only knowledge is meaningful which forms the basis to be advantageous in any organization as the businesses today are undergoing fast changes due to changes in technology etc.

Thus Human Resource Management (HRM) tries to establish good relationship among employees and maintain high morale and provide good working conditions in an organization. It helps, and acts as a change agent while controlling various activities of the organization.

## II. EMPLOYEE RELATIONSHIP MANAGEMENT

Over the years the nature of Employer-Employee has changed and evolved with the problems of Industrial Relations like strikes, lockouts etc. led to the emergence of trade unions. Globalization and the growth models which were capitalist driven led to strategic shift from Industrial Relations to Employee Relations which had proactive approach rather than reactive approach to the management of Employee Relations. It includes all the matters between employers, workers and

managers that rose everyday between these associations and hence Employee Relationship Management (ERM) includes relations which are collective including managers and workers.

Thus, Employee Relationship is defined as relationship between employer or the representative manager and employees, aimed towards maintaining commitment morale and trust so as to create productive and secure workplace environment.

- Employee Relationship Management (ERM) promotes Commitment
- Employee Relationship Management (ERM) facilitates employees in achievement of organizational objectives
- Employee Relationship Management (ERM) minimizes workplace conflict, increases trust.

## III. METHODOLOGY

The research included the use of academic journals, books, abstracts and internet data. Most previous literature about Employee Relationship Management was found through the use of databases. The use of secondary data has allowed the study to gain valuable information and in-detailed understanding of the literature surrounding ERM.

Taking into consideration the limitations of qualitative research, the study preferred to use questionnaires for the collection of primary data and polite manner of extracting data from respondents. Barns and Bush (2006p.235) also believe that this type of research is favorable to this study because it generates "quick tallies cross tabulation and other statistical analysis". This kind of research will be analyzed by using databases (for instance graphs) and visuals will be made for the analysis of results.

For this purpose, open ended questionnaire was developed which was directly answered by the top officials of the PSUs of Madhya Pradesh

The questionnaire was analyzed through HR function determinants as discussed in literature review. The HR function determinants chosen for this particular study are:

- HRD- includes functions like Training, Job satisfaction, Job Rotation, Participative Management, Performance Appraisal, Career Planning and Development,
- Human Relations includes Motivational measures, Grievance Redressal

Roopali Bajaj is Astd. Prof., MANIT Bhopal, India. Email: b.roopali007@gmail.com)  
Shailni Sinha is Professor, TIT, Bhopal (sinha.pummy@gmail.com)  
Vineet Tiwari is with MANIT, Bhopal ([vineetiwari@gmail.com](mailto:vineetiwari@gmail.com)).

To know ERM status HRM operative functions are chosen and statistical tools are used for findings relationship between employee satisfaction and various HR functions components. The HRM functions give an idea that if employees of an organization are satisfied they can contribute towards harmonious ERM in the organization. The study chooses Microsoft excel 2007 and statistical tool like Chi square test and ANOVA test to find results for evaluating satisfaction of employees. Also SPSS software is used to calculate the various results hence the study shows output results for correlation and regression. Not all the HRM functions chosen for this study are statistically evaluated but only some HRM functions are chosen to evaluate the satisfaction statistically. The study has chosen only these two following functions as critical functions to be evaluated in PSUs of Madhya Pradesh and quantified as per the respondent's response. This was statistically signified and thus statistical relationship is evaluated:

- HRD includes functions like Training, Job Rotation, Participative Management, Performance Appraisal, Career Planning and Development.
- Human Relations includes functions like Motivational measures, Grievance Redressal.

After dividing the Questionnaire in variables of Satisfaction and different HRM functions it is revealed that the different variables have relationship between them which can be explained through the correlation table. If the value of relationship between Satisfaction and HRM functions is positive then it means it will increase satisfaction of employees and ERM status in the organization. But if the value of relationship is negative then it means the study shows negative relationship and needs more emphasis on those parameters. The detailed discussion is as explained below:

#### IV. HRD

##### A. Training

- Training policy is not very effective thus employee's satisfaction is affected.
- The result reveals that employers feel that there are very less Training set up in the organization to enhance the skills and knowledge of employees hence for better satisfaction training set up should be established

##### B. Job Satisfaction

- The result reveals that employees are satisfied with the role and work given to them in the organization to a lesser extent which means they need to have more Job Satisfaction to improve satisfaction and hence ERM status in the organization.

##### C. Job Rotation

- The results reveals that the employees are not given

many opportunities to bear different types of roles and they feel that if such an opportunity was provided to have rotation of job it would have been more satisfactory to them hence PSUs should implement the policy of job rotation for better satisfaction of employees.

##### D. Participative Management

- The results reveal that employees feel that the organization takes very less care of their and their family needs once their yearly objectives are achieved
- Organizations try very less to know the problems and suggestions related to their job hence it is suggested that employees and employers should participate in knowing each other and participative management should be implemented for better satisfaction of the employees.

##### E. Performance Appraisal

- For better motivation of employees they need to have variable pay incentives so that deserving employees will not feel de-motivated.
- Employees feel more motivated if a policy of variable pay performance is implemented in the organization.
- The Government pay scales and DA's are not appropriate to motivate employees which means the performance cannot be properly judged through the scales given to the employees hence need a change in performance appraisal system for better satisfaction of employees.

##### F. Career Planning & Development

- Career Advancement policy is not very effective to motivate employers and they are not satisfied with career advancement policy.
- Promotion policy are not sufficient to motivate employees and they are not satisfied with career advancement policy hence are not able to plan their career accordingly

#### V. HUMAN RELATIONS

##### A. Motivational Measures

- The results reveal that employees do not feel that their day to day work is very much interesting and hence are not satisfied with their work
- The results reveal that Human relations enhances motivation of employees in terms of monetary gains are very important for employees though some employees feel that non-monetary gains are also important for better motivation of employees.

##### B. Grievance Redressal

- The Grievance Redressal system is not very effective to redress their complaints of employees and if the grievance redressed it definitely helps to improve ERM status in the organization hence to motivate them Human Relations should be improved in the organizations.

- The Grievance redressal system is not very effective according to employers and if such a system exists it has really helped in promoting ERM status in the organization.

#### REFERENCES

- [1] G Aravamudhan A. (2011) “Transformation in Employee Relations- A Continuous Process”, NHRD Network Journal, Vol.4 Issue 1
- [2] Bellou Victoria (2009), “Matching individuals and organizations: Evidence from Greek Public Sector”, Employee Relations, Emerald Group Publishing Ltd., Vol. 31 No.5 pp. 455-470
- [3] Calo Thomas J (2006) “The Psychological Contract and the Union Contract: A Paradigm Shift in Public Sector Employee Relations”, Public Personnel Management, Vol. 35 Issue 4 pp. 331-342
- [4] Davies Eleanor and Cartwright Susan (2011) “Psychological and psychosocial predictors of attitudes to working past normal retirement age”, Employee Relations, Vol. 33 Issue 3 pp. 249 – 268
- [5] Gennard John (2009) “The Financial crisis and Employee Relations”, Employee Relations, Emerald Group Publishing Ltd., Vol. 31 No. 5 pp. 451-454
- [6] Giles, William F, Mossholder, and Kevin W (1990) “Employee reactions to contextual and session components of Performance Appraisal”, Journal of Applied Psychology, Vol. 75(4) pp. 371-377
- [7] Jan Muhammad and Umar Farooq (2009) “Mobilizing Human Resources for the Public Sector Goals and Objectives Accomplishment in Balochistan” Journal of Managerial Sciences, Vol. 3 No. 1 pp. 23.