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# **RESEARCH JOURNAL**



# A STUDY ON CO-RELATION BETWEEN EMPLOYEE INVOLVEMENT AND ORGANISATIONAL EFFECTIVENESS

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## INTRODUCTION

Since McGregor's Theory Y first brought to managers the idea of a participative management style, employee involvement has taken many forms, including the job design approaches and special activities such as quality of work life (QWL) programs. There is at the end of the day only one thing that differentiates one company from another – its people. Not the product, not service establishments, not the process, not secret ingredients; ultimately any of these can be duplicated. The Japanese have always recognized this and it is one of the reasons for their success in world markets – they place tremendous value on the integration of people with organizational objectives, equipment and processes.

**Employee involvement** is a process for empowering employees to participate in managerial decision-making and improvement activities appropriate to their levels in the organization. A fully involved employee is intellectually and emotionally bound with the organization, gives 100 percent, feels passionately about its goals and is committed to live by its values. This employee goes beyond the basic job responsibility to delight the customers and drive the business forward. Moreover, in times of diminishing loyalty, employee involvement is a powerful retention strategy. Involved employees contribute to the bottom line. As their involvement is reflected in their service to customers, they are helping to create more loyal customers.

**Organizational effectiveness** is also called as organizational success or growth, is defined and conceptualized in different ways and no unanimity is found in different approaches

though a large volume of literature is available on the concept and working of organizational effectiveness, there is often contradiction in approaches. Thus various terms are often used interchangeably such as efficiency, productivity, profitability, organizational growth to denote organizational effectiveness. This inconsistency mainly arises because of discrepant conception of organizational effectiveness. An organization is said to be effective if it is able to achieve its goal within the constraint of limited resources as none of resources provided by the organization are unlimited, organizational effectiveness is the extent to which an organization achieves its goals with the given resources and means.

Today, the linkage between employee involvement and financial performance is undeniable, based on numerous studies that support the correlation. As a result, companies have a rare opportunity to gain competitive leverage and differentiation by harnessing their greatest asset: their employees. Employees, in fact, are the most critical point of differentiation for any company in today's business environment. The correlations are clear: Involved employees generate satisfied customers, who in turn build long-term relationships—and spend more money.

## OBJECTIVES OF THE STUDY

1. To identify the factors of job involvement.
2. To identify the factors of organizational effectiveness.
3. To find out the relationship between the job involvement and organizational effectiveness

## RESEARCH METHODOLOGY

The study looks into Employee Involvement with respect to organizational effectiveness in some of the manufacturing units in MIDC, Ahmednagar

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### Study Area and Sample

In this study stratified random sampling is used. 60 employees above supervisory level are included as sample size.

Primary data is collected through questionnaire and Secondary data from annual reports of the organisations, management journals/books and published articles.

The main objective of the present study is to examine the impact of employee involvement on organizational effectiveness in some of the manufacturing units in Ahmednagar MIDC.

### DATA REPRESENTATION

#### 1. Working experience of employees

S. No.	Working Since	No of Respondents	%
1.	Below 1year	17	26
2.	1 – 3	28	50
3.	3 – 5	09	22
4.	5 – 10	04	2
	Total	60	100

#### 2. Mutual support among employees

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	3	5
2.	Disagree	2	3
3.	Neutral	12	20
4.	Agree	33	55
5.	Strongly Agree	10	17
	Total	60	100

#### 3. Frequent sharing of information and ideas among co-workers

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	2	3
2.	Disagree	5	8
3.	Neutral	5	8
4.	Agree	31	52
5.	Strongly Agree	17	29
	Total	60	100

#### 4. Recognition by the Superior

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	4	7
2.	Disagree	7	12
3.	Neutral	5	8
4.	Agree	31	52
5.	Strongly Agree	13	21
	Total	60	100

#### 5. Safe and clean work environment

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	0	0
2.	Disagree	7	12
3.	Neutral	12	20
4.	Agree	27	45
5.	Strongly Agree	14	23
	Total	60	100

#### 6. Opportunities for growth and improvement

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	2	3
2.	Disagree	0	0
3.	Neutral	10	17
4.	Agree	39	65
5.	Strongly Agree	9	15
	Total	60	100

#### 7. Employees are involved in decision making

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	2	3
2.	Disagree	3	5
3.	Neutral	10	17
4.	Agree	36	60
5.	Strongly Agree	9	15
	Total	60	100



## 8. Implementation of employee's suggestions

S. No.	Opinion	Number of Respondents	%
1.	Strongly Disagree	2	3
2.	Disagree	3	5
3.	Neutral	10	17
4.	Agree	37	62
5.	Strongly Agree	08	13
	Total	60	100

## OBSERVATIONS AND RECOMMENDATIONS

If the organization seriously wants to increase employee involvement and ownership to world-class levels, some of the following points will prove effective in transferring ownership to the shop floor, even in the most difficult work environments:

1. Management should involve employee union at the highest levels as an equal partner for planning, implementation, and evaluation of employee Involvement in the strategies framed by the organisation.
2. Management actions on cooperation should be the same as management words. There should not be confusion or doubt regarding any organizational policy in the minds of the employees.
3. Listen to the Employees, It's been said that hearing is an activity and that listening is an art. There should be more listening and less directing should be done by the managers. With this managers will come to know clearly what their needs are and help them to take action accordingly.
4. Autonomy to Teams, Managers should play the role of coach for the teams. They should avoid close supervision. Manager's main task is to coach, so let them try their wings and see how they fly. Just steer them away from major pitfalls.
5. Training the employees on effective communication, decision making and conflict resolution. This will help them to decide on the things that affect them and their company.

6. Managers should respond to the needs of the employees it will help in demonstrating commitment and building trust. For example the queries or doubts of the employees should be solved as early as possible by the managers.

## CONCLUSION

The study has revealed that job involvement is a crucial element for organizational effectiveness. It is known that there is direct relationship between job involvement and organizational effectiveness by way of their working style, approach towards the attainment of organizational goal, quality improvement, acquisition of new talent and skills, etc. Top management must continue its efforts to create work environment in which employee who are themselves playing a key role as mentors in motivating others, would voluntarily put forth their efforts. The effectiveness of the organization does not depend on how efficient strategies are made but it depends on how they are executed. Successful execution occurs when structure, roles, capability, leadership, people management all aligned to the strategy.

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