



## A STUDY ON EMPLOYEES' MORALE IN MANUFACTURING COMPANIES- IN AND AROUND CHENNAI.

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### INTRODUCTION

Employees morale can be defined as the workplace satisfaction, feeling and well being of an employee in the workplace in other words employees morale is highly related to employees satisfaction in their work environment. Employee morale is important for all the organizations to do their effective business and to increase their productivity. Employees with high morale are able to corporate with their organization to improve the higher productivity and lower employees morale is able to diminish all the organizational development. Bowles D, Cooper C (2009).m

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### IMPORTANCE OF EMPLOYEE MORALE

Employee morale is a powerful phenomenon which is required for all the employees working in an organization. It is able to determine the success of any organization. The employees with good morale are able to possess a good positive attitude, willingness to save their stakeholders and to improve their productivity in the organization. The employees are able to reach the poor morale due to the work environment with negative scenarios, stakeholders employees lack of relationship, reduced efficiency of the organizations. The employees with high morale have the character of enjoying their work environment positively. They show more interests to interact with all the colleagues working in the organizations. They are able to give their work efficiently and able to contribute significantly for the productivity of the employees. The absenteeism is very low in the case of employees with high morale in any organization Connell J, Ferres N, Travaglione T (2003). Each and every employee with high morale take the morale responsibilities to give higher quality

of work and get good stakeholders relationship especially employers relationship, customer relationship and suppliers relationship in an organization. They are able to provide a competitive edge to all the crises faced by their organizations. Employees with good morale are able to give their knowledge, talents even orchestration during the period when the recession takes place in the organization. They help the organization to redeem from the crises of financial problems and other organizational problems. They are able to protect the organization with full potentialities. The employees with good morale are also cooperating the organization in the employee retention strategies and talent hunting strategies. Employees intended to work and stay in the same organizations to show their loyalty in the work environment. They are the sources for retention strategies and talent management strategies. The employees with good morale are able to avoid unnecessary



expenditure for the organizations. They are able to reduce the cost for productivity and other expenditures in the work environment. Similarly the poor employees morale can also be identified through certain indicators namely poor communication, absenteeism, augmentation behaviour, excessive complaints, conflict with colleagues and superiors, lack of quality in work, declining the productivity of the organization. Clampitt, P.G. and C.W.Downs 1993

The employees with lack of morale are main sources for customer complaints, lack of enthusiasm in work environment, negative attitude towards the organization, turnover intention, lack of interpersonal relationship and commitment. These are all the indicators for the employees with low morale. Therefore the present research work is concentrating on identifying the different components of employees morale.

## LITERATURE REVIEWS

Ewton Z et al (2007). These authors clearly identified that employees in an organization have to be recognized for their achievements and accomplishments. They are given certain criteria to boost the morale of the employees. They suggested that the positive feedback and acknowledging their hard work and accomplishing their dedication are the most successful factors in the employees morale. The appreciation in the work increase the morale of the employees and drag them to participate in all the organization.

Ghiselli,R.J.LaLopa, and B,Bai 2001In an empirical and innovative study the researchers clearly established correlation between employees morale and their respect they command in the organizational premises.

Employees are sometimes under estimated because of their outward knowledge and experience. Some of the organization on non treating the employees rationally therefore it is found from the study that the employees are always demand smooth interpersonal relationship and mutual respect in the team or in the organizational premises. They perceived that they are the most valuable resources for the overall organizational development. The improvements in the employees morale can be encouraged by the organizations through monetary and non-monetary motivations and the employees morale positivity sometimes promote organizational loyalty of the employees.

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Haddock P (2010).In an another research the author emphasizes the importance of communication in improving their employees morale. Employees are ready to show their loyalty and knowledge and skills when they are a transparent communication from their employer. The employees always demand transparent with all the communications and cooperation from the organizations to participate in all the organizational activities. The individualism and favouritism are not liked by any of the employees. Communication is very important to execute the orders within the organizational premises. The organizations which are emphasizes on perfection in knowledge and skills are expected to communicate transparently.

Johnsrud LK (1996). In an another research the authors estimated that employees compensation and monetary as well as non monetary benefits are playing a very important vital role in improving the performance as well as the employees morale. The employees are expected to provide competitive benefits and compensation for the sustained hard work and

dedication to the organizations. The employees with more organizational benefits and compensated for their hard work are very loyal to the employer. The competitions among the employees are competitions outside the organization are able to exhibit the high employees morale when they are compensated significantly.

Johnsrud LK, Rosser VJ (2002). These authors found that the employees provided with benefits, perks particularly health care, medical care and children education are very loyal and showing very positive morale. This research completely estimated the different programmes which are able to improve the employees morale mainly family well being programmes, one site fitness facilities, motivation, counseling for the employees.

Kerlin SP, Dunlap DM (1993). These authors found that employee empowerment is very important for the improvement of employees morale. In all the organizational premises employees must be empowered with their basic rights, democratic rights and they must be allowed to feel secured job. The ability of employees and the organization to empower the employees can be evaluated through trust and openness strategies. It is found that employee and their distinguished facilities, knowledge and skills are significantly improved through the employee empowerment programme which increases their morale.

Mazin R et al (2010). These authors found a intimate relationship between employees morale and their career development opportunities in the organization. The employees strongly believe that the career path can be elevated through the organizational support. In return of the organizational support they wanted to show their loyalty in the form of

positive employees morale. The organizations are able to ensure the progress of the employees within the organization and also giving the opportunities obtainable career paths to their employees.

Neely G (1999). In an another research the authors found that mentoring is also found to be one of the factors directly influencing the positive employees morale. The employees are provided with good mentoring ship, coach abilities, and lonely capabilities to realize the empowering scenarios prevailing in the organizations. Mentoring the employees with the positive aspects is able to reflect a positive morale among the employees. The mentorship is also focusing on organizational developmental activities.

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## GAPS IN THE LITERATURE

After reviewing the national and international review pertaining to employees morale the researcher clearly identified that employees morale is not unique phenomenon whereas it is the combination of multifarious components of various human resources management. These gaps are predominantly identified and noted by the researchers. The following issues are not addressed by the national and international researchers in the past. Therefore the researcher presently focuses on the following three important gaps.

1. How can one measure and validate the components of the employees morale.
2. Is it possible for the researcher to relate the employees experience and morale.
3. Is there any correlation between organizational productivity and employees morale.

## OBJECTIVES OF THE STUDY

1. To study and validate the various components of employees morale in manufacturing companies.
2. To find the influence of designation and employees experience on their morale in the organizational premises.

## HYPOTHESIS

1. There is no significant influence of designation of the employees on the employees morale.
2. There is no significant influence of experience of the employees on their morale.

## METHODOLOGY

This study is completely based on primary data which deals upon a well structured questionnaire in human resources management practices focuses on that unique component namely employees morale. Besides the primary data the researcher used secondary data for reviews various research works of national and international level, reports on manufacturing companies, existence of human resources management practices in the manufacturing companies. After identifying the gaps in the literature the researcher found a well structured questionnaire which consists of only three parts. The first parts consists of only two questions regarding experience and designation of the employees whereas the second and third parts are the statements of likert's five point scale. A second part completely enumerating the various elements of employees morale whereas the third part is aimed at ascertaining the productivity of the employees.

After framing the appropriate questionnaire the researcher pre tested them in interacting with the subject experts, statisticians for statistical viability, employees to know the components of employee morale. After this interaction some of the questions are incorporated which is directly related to the manufacturing companies. After the pre testing a pilot study is conducted

## PILOT STUDY

The main of the pilot study is to find the reliability of the statements of questionnaire generated by the researcher from the literature reviews. It is the process to verify the practical implication of questionnaire and the respondents' responses towards the questionnaire. A pilot study also checks how far the respondents understood the questionnaire regarding employees morale. The researcher approach 10 reputed manufacturing companies in and around Chennai city. During the pilot study the researcher able to collect at least 10 responses from the 10 reputed companies. The 100 responses are systematically tabulated and analyzed for the reliability statistics. The reliability statistics is derived from the tool called Cronbach Alpha Method. The value of Cronbach Alpha is 0.854 which is above the bench mark of 0.75. It implies that the respondents are able to understand the question by 85.4 per cent level. Therefore the researcher ensured the validity of the questionnaire and further forwarded the research work into the main study stage.

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## MAIN STUDY

In the study the researcher circulated 25 questionnaires each in 10 reputed manufacturing companies and able to obtained 240 usable responses. The convenience sampling method is used to ensure that the interested employees with interest they participated in the question and answer session. Hence the sample size of the research is 240. After collected the sample through the structured questionnaire they are systematically entered in the SPSS package version 23 for rigorous statistic analysis using 1. Exploratory factor analysis 2. Confirmatory factor analysis 3. Linear multiple regression analysis.

## ANALYSIS AND DISCUSSION

At the point of instruction the researcher applied exploratory factor analysis on 25 variables of employees morale especially the variables in likert's five points scale at obtain the following results.

**Table-1-KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.368	9441
Bartlett's Test of Sphericity	Approx. Chi-Square	5257.802
	df	300
	Sig.	.000

From the above table of KMO Bartlett's Test it is found that the chi-square values and Bartlett's test of sphericity statistically significant at five percent level. This shows that all the 25 variables are normally distributed and more suitable and appropriate for segmentation and grouping of variables. The variance of each variables is also important and they are data reduction process is executed in the exploratory factor analysis.

**Table-2-Number of factors of employee morale.**

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.683	14.733	14.733	3.455	13.822	13.822
2	3.016	12.065	26.797	2.467	9.870	23.691
3	2.407	9.629	36.427	2.353	9.411	33.102
4	2.134	8.534	44.961	2.222	8.889	41.992
5	1.822	7.289	52.250	2.135	8.540	50.531
6	1.666	6.665	58.915	2.096	8.384	58.915
7	1.435	5.742	64.657			
8	1.306	5.224	69.881			
9	1.165	4.660	74.542			
10	.869	3.477	78.019			
11	.768	3.073	81.092			
12	.704	2.816	83.909			
13	.694	2.777	86.686			
14	.615	2.462	89.147			

15	.594	2.378	91.525			
16	.470	1.882	93.407			
17	.369	1.478	94.885			
18	.333	1.332	96.217			
19	.236	.943	97.160			
20	.185	.740	97.899			
21	.159	.635	98.534			
22	.147	.590	99.124			
23	.115	.458	99.582			
24	.065	.262	99.844			
25	.039	.156	100.000			

From the above table is found that 25 variables are reduced into 6 predominant factors namely 1. Positive attitude 2. Enthusiasm 3. Job Satisfaction 4. Absenteeism 5. Team Spirit 6. Productivity Increase. Therefore it is found that 25 variables reduced into 5 predominant factors these factors are loaded with variables and their variance values. After deriving five factors the factors and their average scores are computed and obtained in the following results. In this juncture the researcher applied confirmatory factor analysis to confirm the five factors derived through exploratory factor analysis. The confirmatory factor analysis table and diagram are given below.

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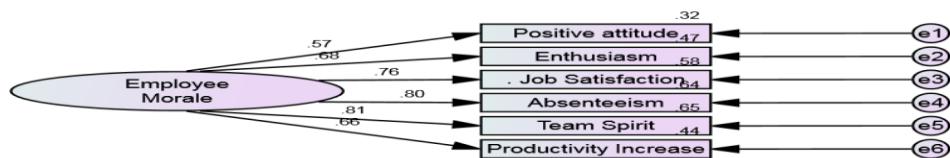


Table-3 MODEL FIT INDICES AND BENCH MARKS-Employee Morale

S.NO	Fit indices	Values	Bench mark values
1	Chi-square	3.124	-
2	P-value	0.366	>.05
3	Goodness of fit index(GFI)	0.959	>.9
4	Comparative fit index(CFI)	0.965	>.9
5	Normed fit index(NFI)	0.968	>.9
6	Root Mean Square Error of Approximation(RMSEA)	0.07	<=0.08

From the above table and diagram it is found that the 5 variables and their correlation values are found to be above 0.3. This shows that the six factors are confirmed as the components of employees morale in manufacturing companies. These average scores of 6 factors can be further used in the analysis.

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In the second part of the analysis the researcher intended to test the influence of designation and experience of the employees over six factors of employees morale. Therefore the researcher applied one way analysis of variance separately for designation and experience. The tables are clearly presented below. Table-4-Influence of Designation.

Facors	F	Sig.
Positive attitude	4.065	.018
Enthusiasm	4.000	.000
. Job Satisfaction	9.855	.000
Absenteeism	3.617	.000
Team Spirit	7.424	.005
Productivity Increase	21.677	.000

From the above table of designation the influence over the employees morale is found that top level executives, middle level managers and operational level employees in the manufacturing companies differ in their perception towards six components of employees morale. In the first two components attitude and enthusiasm the operational level employees strongly agree for those factors whereas the middle level managers are highly satisfied with the job and they disagree for the absenteeism and turnover intention. The top level executives strongly believe that the team spirit is a very important factor for employee morale and productivity is a major outcome of employee morale. Similarly the influence of experience is presented below.

Table-5.-Influence of Designation.

Factors	F	Sig.
Positive attitude	6.376	.000
Enthusiasm	.680	.606
. Job Satisfaction	3.050	.017
Absenteeism	2.810	.025
Team Spirit	2.582	.037
Productivity Increase	7.985	.000

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From the above table it is found that the employees with 10 years and lesser experience strongly agree for the positive attitude and enthusiasm in the work environment whereas the employees in the experience 10 – 15 years highly satisfied with their job and strongly disagree for absenteeism and turnover. The employees with more than 15 years of experience strongly agreed for team spirit and productivity increase into employees morale.

## FINDINGS AND CONCLUSION

The computed results clearly revealed that employee morale are the combination of the six factors Positive attitude, Enthusiasm, Job Satisfaction, Absenteeism, Team Spirit, Productivity Increase. These six factors are not independent whereas they are influenced by designation and experience of the employees. There is a significant difference among the top level executive, middle level managers and operational level employees in perceiving the notions of employees morale. Similarly the experiences of the employees are found influence the factors of employees morale. The employees with less experience and more experience differ in their opinion about employees morale separately. Employees morale is considered as a state of mind and enthusiasm towards the job and it is a feeling to show the loyalty towards the organization. The positive employees morale is the major outcome of job satisfaction and joy from work environment. It is found that employees morale is a behavioural outcome of the employees the positive morale gives the best performance of the employees and productivity increase. The employees with less morale is also found to affect the productivity, efficiency of the organization and the organizations experience more employees turnover and absenteeism. It is concluded from the research that employees morale is able to decide the existing team spirit in the organization and their overall contribution in the organizational productivity.

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