



Employee Relations: A Major Antecedent in Employee Satisfaction

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Abstract

Operations of all the organizations mainly comprise of service deliverance which in turn lie how the things are conducted or performed. The righteous act or effective performance in any operation can be achieved largely by the satisfied employees. Employees play the major role in all the sectors therefore it is of paramount importance to keep them satisfied with the working environment. There are several factors affecting the employees' state of satisfaction; the chief one is Employee Relations. The paper analyses the role and effects of Employee Relations on Employee Satisfaction. The paper includes the recommendations for the betterment of Employees and their relations with the Management.

Keywords: Employee Satisfaction; Employee Relations, Management, state of satisfaction, factors affecting the employees

Objective

- To evaluate the impact of Employee Relations on Employee Satisfaction,
- To provide measures for the improvement in Employee Relations

Introduction





One of the well known facts is that higher satisfaction, a positive state of mind enhances quality as well as quantity of output. Organizations with the success stories behind them have commonly experienced the management of relationship leading to the long lasting employee satisfaction. An effective employee relation program includes interpretations of employee relation and to understand the critical elements of Employee Relations

➤ A Worthy Resource 'WORKERS'

The most important part of any business is its people. No business can run effectively without them. But people don't work in a vacuum; they need to communicate and work with others to get their jobs done. In order to run the business seamlessly, to curv the problems employers have to manage the relations with the workers in a constructive manner so to have best out of them.

➤ Employee Relations

The term 'employee relations' refers to a company's efforts to manage relationships between employers and employees. An organization with a good employee relations program provides fair and consistent treatment to all employees so they will be committed to their jobs and loyal to the company. Such programs also aim to prevent and resolve problems arising from situations at work. Employee relations programs are typically part of a human resource strategy designed to ensure the most effective use of people to accomplish the organization's mission. Human resource strategies are deliberate plans companies use to help them gain and maintain a competitive edge in the marketplace. Employee relations programs focus on issues affecting employees, such as pay and benefits, supporting work-life balance, and safe working conditions.¹

One of the most effective ways for a company to ensure good employee relations is to adopt a human resource strategy that places a high value on employees as stakeholders in the business. Stakeholders are people who are committed, financially or otherwise, to a company and are affected by its success or failure. When employees are treated as more than just paid labourers, but as actual stakeholders with the power to affect outcomes, they feel more valued for the job they do.

¹ Raka Sharan: "Working conditions and job satisfaction among the industrial women workers", A case study of Kanpur, 1980.



An essential part of an organization is their employees. An organization can't perform only with the help of chairs, tables, fans or other non-living entities. It needs human beings who work together and perform to achieve the goals and objectives of the organization. The human beings working together towards a common goal at a common place (organization) are called employees. Infact the employees are the major assets of an organization. **Employee relations refer to the relationship shared among the employees in an organization.** The employees must be comfortable with each other for a healthy environment at work. It is the prime duty of the superiors and team leaders to discourage conflicts in the team and encourage a healthy relationship among employees.²

In the today's' competitive environment, every organization has to perform at its best in order to survive and sustain in cruel marketplace. The key success lies in optimum utilization of its resources among them Human Resource, the people are the only active resource who will actively regulate the other resources and input into best possible use. Moreover employees being a human being have an array of needs to be gratified through an organization, where they work and spend a considerable part of life. So it's imperative for an organization to satisfy their workers/employees to have best of them in performance.

Details of ER

The transformational form of Industrial Law is the Employee Relations, which is about the relation between employees and employers the two most important entities in an organization. In order to keep the employees dedicated and loyal towards organization, goals and performance, employees manage relationship by giving fair, consistent and healthy treatment to their workers. Healthy relations boost physical as well as mental capacity of human beings and upsurge their esteem.

Employee relations are an integral part of HR. ER policies comprises of rules, regulations, procedures, mechanism and philosophy of management focused to foster relations by solving conflicts and problems at the working place. Existence of positive, healthy employee relation manifest trust, identification, respect towards job and organization. Persistence of healthy and secured working environment, overall involvement and dedication of employees, provisions for their

² George N. Root: Improve Employee Relations, CHRON

motivation, spontaneous and smart communication system support and facilitate ER. Being a complex relation, employee relationship in fact an art to live together for various purposes such as human welfare, organizational progress, efficient production, and well-being of human resource and so on. Along with that in employee relations conflict and cooperation exists as a regular feature. Although cooperation is sought in major yet conflicts in some form are inevitable. Employee relations are multifaceted so do not work in vacuum but are conditioned with multiple determinants like economical, societal, technological and organizational factors.

DIMENSIONS OF EMPLOYEE RELATIONS



FROM INDUSTRIAL RELATIONS TO EMPLOYEE RELATIONS

The term “Employee Relations” is increasingly used in recent years, starting with the 80’s, together with the emergence of human resource management³, a period of steady decline in the importance of industrial relations and collectivism, due to considerable reduction of power and unions role. The reasons behind these changes were technological change, massive restructuring within organizations and restrictive legislation applied to labour actions in most countries. Industrial world has experienced a new change with the emergence of globalization and increasingly

³ Rousseau, M. Denise. (1990), New hire perceptions of their own and their employer's obligations: A study of psychological contracts, Journal of Organizational Behavior, Vol.11, pp 389-400



competitive environment, from a simple approach on human relations to one on human resource management. This change is primarily responsible for confidence behind the change from industrial relations to employee relations³. According to HRM approach human resources and employees are treated as investments, emphasizing on policies, programs and practices that lead to a productive environment. HRM focuses more on employees, individually seen and not as a collective body (union). The concept of HRM is generally associated with a movement starting from collectivist employment relations - tense negotiations, union associations - towards individual negotiations, reinforced by individual contracts and performance-based payment systems. Individual's role in labour relations is supported by specialists like Beardwell (1997) when he states that "perhaps for the first time in a century, it is possible to reconstruct the central issue of industrial relations, as being not so much the role of unions in market economy but the individual's role within the working relationships, and in this way to reform industrial relations frame, in order for traditional collectivism, which we were accustomed with, to be greatly reduced".

Using the term "Employee Relations" instead of "Industrial Relations" is due to the fact that it has become increasingly appropriate in the context in which much of the labour force is not composed of members of unions, and the number of employees included in agreements collectively negotiated has seen a continuous decline. Therefore New Approach of Employee Relationship goes beyond the collective bargaining level to include non-union organizations where dialogue might be between employers and their employees, although with alternative bargaining structures.

Among the changes that have led to the transition from industrial relations to the new paradigm of labour relations, as stated by Rousseau:

- Greater convergence towards efficiency and competitiveness which required cooperation and teamwork;
- Globalization with opening the markets that forced employers to seek legislation less rigid, less standardization of employment and a greater focus on individual aspirations and efficiency at work;
- Traditional concepts of "fair wages" and the standard terms and conditions of employment makes place for variable payments based on skills, outsourced jobs and flexible working methods;



- Emergence of new technologies and industrial automation that reduced dependence on industrial labour;
- Demographic factors with the development of “knowledge worker”, young workforce and feminization of labour. The most important feature of workforce composition is that no employee seeks long existence in an organization unless is in consent with his aspirations;
- Decline of trade unionism due to technological revolution and its impact on industrial landscape accompanied by poor performance of union in recent decades. The concept of unionization and collectivism was therefore replaced with an individual concept, in which each employee is trying to look after himself.

As a result, largely due to globalization, the shift from “Industrial relations” to “Employee Relations” required adopting a proactive approach of employee relations management instead of a reactive one. This approach includes:

- Relations between managers and individual employees;
- Collective relations between managers and employees;
- Role of government in regulating these relations.⁴

Suggestory Measures

Human beings constantly seek to satisfy their needs and wants and they might be succeeded or not most of the time. Similarly the implication of satisfaction in a company with variety of people working for various reasons can be conceptualized.⁵ A feeling of enthusiasm, confidence, content among the employees with their jobs, working place is termed as “Employees’ Satisfaction”. Employees Satisfaction consists of basic concerns and needs of employees.

1. Frequent Meetings: well planned meeting at regular intervals improves quality of communication hence relations too.
2. Soliciting Employees’ views: upper management can show their concern for employees by soliciting their views as an integral input to make needed changes for growth in general.

⁴ Jacob Shriar: Tips to improve ER, Office vibe.

⁵ Lepi T. Tarmidi and Muliadi Widjaja: “ Study on strength and weakness of Indonesian Garment Industry”, Institute of Economic and Social Research, faculty of economics, University of Indonesia, June 2000



3. Stroking: Recognition is a human need; an acknowledgment of employees' worth towards an organization will gratify their recognition need.
4. Rewarding Employees: with innovative and interesting incentives will retain their interest in organizational affairs, a key to nurture relations.
5. Provision of Refreshment Programs: in order to break monotony of daily mundane routine, a good round of workshops, office luncheons, seminars and other sort of formal and informal gathering will transform weakness and insecurities into strength and securities.
6. Ongoing inspiration to Employees- Inspire the workers towards their professional goals along with some personal targets such as keeping fit physically and mentally will spark the relations with positivity⁵
7. Resolution of Conflicts: In timely and rational manner can boost employees' relations. Although this is the crucial part of the Employee relations hence it has to be more effective than any other part. The trust of employees on management matters most which by the above discussed points may prove to be beneficial. Hence it may turn the situation in favour.
