

A Study on Influence of Employee Morale on Productivity in Steel Industry w.r.t Vizag Steel Ltd, Visakhapatnam

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Abstract: *Morale is basically an individual and group phenomenon describes about the level of satisfactory or negative attitudes with regards to the pleasure of personnel in execute their job at organization. In simple words productivity of the organization depends upon the employee's propensity towards the organizational climate and factors influencing on them to contribute the results/outcome for the organization. Researcher made a modest effort to focus on is there any correlation between conveniences, worker's health facilities, worker education and measure its impact on productivity at Vizag steel limited, Visakhapatnam.*

Keywords: Morale, Satisfaction, Climate, Conveniences, Productivity, Education

1. Introduction

Human capital can be considered as the great assets of the organization. The social advancement is straightforwardly identified with how best the accessible assets are collected, smoothed out towards higher profitability and how the holes are enlarged. This is each of a result of human association and the higher the greatness of human inclusion the higher the efficiency. Thusly, the board of assets and the executives of human undertaking resemble hand-in-glove circumstance to underline the concurrence and coincidence. The organization having meaningful goal and superior, subordinates are held responsible to accomplish it. The best prerequisite in such circumstance is the extraordinary character of joining psychological powers and coordinating intellectual conduct with clairvoyant demeanor and actual sign. In simple terms, we say it as the unity of behaviour. A person's passion for his job reflects towards the predetermined objectives. Organizational buzz with the activity related to the preset objectives or goals of the organization. Inter-actions, intra, extra news, critical, strategic, unavoidable, routine activities all happen within and without the organization. In order to know about work done, we need to ask an appropriate question to elicit why, how and when of the activity. The reply to these eliciting questions is the explanation. Explanation enables understanding from a manager's perspective, but it may be of little use because it is only inquest. But from experience and application point of view, such explanations offer great insights providing valuable lessons for future guidance. Either to reinforce or amend, modify, improve or eliminate a particular activity, the explanation would deliberate. The root causes are identified for every action and correlated with the possible outcome. The "employee Morale" is the corner stone of the business which describes about the employee's job satisfaction, attitude and feelings of happiness at work place. From the earlier studies it is quite obviously evident that there is a clear coalition between productivity and morale. It is an influential determinant in organizations which attempts to identify facets of work that are correlated with low or high morale. Employee

contribution depends upon the way the organization treat them which intern not only to raise productivity, but also to help staff treat their clients and all staff with dignity. The entire business will change as they show gratitude and their workers do the same with those for whom they communicate.

2. Review of Literature

Research studies reveals that the workers who are happy with the organization's work culture are more productive. High or low morale depends upon the mutuality of interest.

Victor Vroom clearly said in expectancy theory that the outcome depends upon the way the employee perceives the climatic and culture of the organization. Employees are having abilities, expectations moreover they personally feel that they can grow along with the organization provided to contribute the best results. He has given a formula for motivation as

$$M=V*E*I$$

Porters and Lawler's theory is the extended theory of Vroom valence expectancy theory. In this theory he emphasized that the accomplishment of the assigned task depends on perceived rewards, perceived role and abilities. If these three holds good which could stimulate the employee to make his fullest effort towards to achieve the goal.

In 1953, B.F. Skinner reinforcement theory focuses on human motivation. It has clearly explained about human behavior under two circumstances i.e. positive outcome and its response and negative outcome and its consequences. If the end result/outcome is positive that boost up them to act more where is in negative case it discourages their behavior. Hence positive reinforcement stimulates burning desire to do something better than others.

Productivity is associated with the employee performance. If the productivity increased, then the responsibility of the

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organization is to encourage the employee in terms of reward or bonus or pat back of them. This behavior builds the morale and causes to enhance the productivity for the next batch production. The positive outcome, encouragement from the management reinforces the behavior of the employee to contribute more for the organization.

Sharma and Sharma (2014) opined that the organization has to be addressed the issues like physical presentation of the employee will not enhance the productivity, physically and mentally presence is required to the job effectively and efficiently.

According to the words of Ferreira and Du Plessis (2009) regarding to evaluate the productivity in terms of the time and employee's job description. If the job description is crystal clear, then the employee can assess himself for his contribution to accomplish the assigned work within the time.

In the year 2008 Forret and Love stated that high morale and low morale depends upon the attitude of the person how he selects, organizes the responds to the environment where he works. High morale in the firm does not specifically impact efficiency, but high morale among staff has been found to improve work place satisfaction and increases the organization or outlook's productivity.

On the basis of several research studies Miller and Form have given four combinations expressed in terms of morale and productivity ranging from high-low.

Conversely, Dimitriadis and Papalexandris (2011) made a modest effort and mainly focused on the factors like employee perception of team spirit, positive energy, pride and enthusiasm effect on productivity but it could not include personal analysis of the respondent. Morale is heavily contingent on management's expectations of workers.

A.J. Schuler, expert of psychology suggested that to offer the voice to the employees to tell their opinions on management's performance. Most of them answered that the suggestion box should be opened monthly basis to reply to prioritize their concerns and opportunities and weigh their recommendations for the continued growth of the employee's organizational input to maintain employee trust in management. If the management of the enterprise is professional, the morale stays high, otherwise the whole company loses.

Jones (2009) she has particularly emphasized that the rules not applied equally impacts on morale. Employee suggestion and experiences are not optimally utilized and assign the task which does not belong to his specialization adversely effect on productivity. Organization should behave in an empathetic manner to understand the bitter experiences, tensions, smallest inconveniences and resolute them otherwise that will become a cause for dissatisfaction of an employee in turn effects on productivity. The foremost responsibility of the organization is to identify and recognize the employee efforts, pat of them, encourage them by the

way of providing incentives and look after their welfare enhances the productivity.

Psychometric Canada (2010) study findings indicated that poor management has an unenthusiastic impact on employee morale which led to the drastic outcomes of poor interpersonal relations and rigid working conditions.

Dye and Garman (2006) analyzed the variables that may impair productivity: management distrust, low organizational abilities, strict working environments, shifting strategies and leadership shifts.

Green leaf (1996) stated that challenging atmospheric conditions, lack of growth, stepmother treatment or servant treatment leads to low morale.

Ngamb (2013) studied the association between leadership and morale. Leader should be the reader to read the competencies of employees like communication, nurturing trust, and team building to assign the tasks and directing the people towards to achieve for a common goal. These are all the factors impact on employee morale. Therefore, it is suggested to improve the morale, the company has to look after the welfare measures than the competitors and make them to free from the bias. Both of their purposes could be fulfilled. Organization gains the competitive advantage in providing the amenities and at the same time employee could be gratified with them.

The job satisfaction depends upon the way you project your thought in one's mind to get the things done. Upadhyay and Gupta (2012) has studied and emphasized that welfare measure, work experience does not relate to the psychological satisfaction. Apart from communication there is other factors like motivating factors, empowerment, communication increase the satisfaction levels of the employee to contribute the results for the organization.

Chopade (2012) explored the link between the experience of rightsizing of survivors and their capacity for continuation, affective commitment and morale. If workers would have a favorable view of reorganizing or restructuring their organization through this participation, that can have a positive effect on their continuation as well as affective engagement. After study, he came to the conclusion that issues such as the misunderstanding of survivors' rights had a negative effect on their morale. In comparison, the variables such as their pay and amount of work done are fulfilled and granted priority and were concerned about their security. So respondents demonstrated high devotion, but low morale.

3. Research Problem

The researcher has taken the parameters like conveniences, workers health facilities, worker's education to identify whether these are positively or negatively correlated in turn to reflect on productivity and finally gone through ANOVA to find the variance.

4. Need for the Study

When the organization is determining on investments, they could considerate the human capital. Because of their rigorous effort company is able to get the profit. The employee attitude relates on the ability of the organization to produce the results i.e. they can have the power either to facilitate or impede the objectives of the company. The outcome depends upon the way the employee perceives and reacts towards the work environment. Hence the foremost responsibility of the organization is to provide the healthy environmental conditions that generate the interest to utilize their skills, abilities, experience, education for the potentiality of the organization and for their personal growth. Every employee is really having the potency and willing to perform the job but the factors like incompetent leadership, frequently changing policies, lack of relationship among employees, lack of recognition modify the behavior of the employee and make them to drop their enthusiastic levels which in turn to reflect on productivity. If the gap is more between the desired performance level and the actual performance level indicates the changing attitude of an employee towards job. Hence the need of the hour is to assess overall outlook of the company in the light of conveniences, worker's health facilities and worker's education, satisfaction and confidence that employees feel at work.

5. Significance of Morale

The administration is considered dependable to invigorate the sensation of harmony in the brain of the laborers to achieve the authoritative objectives. The high spirit and the co-activity among laborers are needed to contribute the fundamental yield principles. Low spirit brings about strikes quill bedding and other response, which can subvert profitability. There should a solid bond existed between the confidence and efficiency. It goes like connected at the hip and higher the assurance and higher the efficiency. It is the obligation of the director to assemble spirit to upgrade the efficiency.

6. Objectives

- 1) To assess overall outlook of the employee towards Vizag Steel Ltd, Visakhapatnam and its effect on Productivity
- 2) To measure the strength between variables and relationships.

7. Methodology

- 1) **Primary source:** collected the information from the employees of vizag steel plant, vizag through the well-structured questionnaire.
- 2) **Secondary source:** obtained it from company magazines and web sites
- 3) **Sample size:** 508
- 4) **Statistical tools:** Regression Analysis and ANOVA

8. Analysis and Discussion

Table 1: Analysis in RINL Company

Model	R	R ²	Adjusted R ²	Standard Error of the Estimate
1	.909 ^a	.826	.825	.493

a. Predictors: (constant), worker education, workers health facilities, conveniences

The regression table summarizes the model performance through the following statistics.

R: As R value is 0.909 it means that dependent variable has high positive relationship with independent variables.

R²: The value is 0.826, it means 82.6% of the variance explained by dependent variable with respect to independent variables.

ANOVA ^a					
Model	SS	df	MS	F	Sig
1 Regression	582.570	3	194.190	799.318	.000 ^b
Residual	122.444	504	.243		
Total	705.014	507			

a. DV1: Improving Productivity

b. Predictors: (constant), worker education, workers health facilities, conveniences

From above ANOVA table F-value is significant (significant value is less than 0.05) it means dependent variable productivity is more reliable.

Table 2: Regression Line

Coefficients ^a						
Model		Un-standardized Coefficients		standardized Coefficients	t	Sig
		B	Std. Error	Beta		
1	(Constant)	.322	.056		5.784	.000
	Conveniences	.879	.063	.749	14.056	.000
	Workers Health Facilities	.119	.052	.116	2.270	.024
	Worker Education	.070	.054	.057	1.306	.192

a. Dependent Variable: Improving Productivity

Improving productivity = 0.322 + .879 (conveniences) + 0.119 (workers' health facilities) + 0.070 (workers' education).

Table 3: Shows the Karl Pearson's Correlation Coefficient

Parameters		Conveniences	Workers health facilities	Workers education	Improving productivity
Conveniences	P ₁	1	.923**	.892**	.907**
	S ₁	0	0	0	0
Workers health facilities	P ₂	.923**	1	.882**	.858**
	S ₂	0		0	0
Workers education	P ₃	.892**	.882**	1	.827**
	S ₃	0	0		0
Improving productivity	P ₄	.907**	.858**	.827**	1
	S ₄	0	0	0	0
N value		508			

**Correlation coefficient significant at the 0.01 level (2-tailed)

(Note: P₁, P₂, P₃, P₄ are Pearson's co-efficient; S₁, S₂, S₃, S₄ are significance levels (2 tailed tests))

Interpretation:

From the above correlation table conveniences are significant and positively correlated with worker's facilities,

worker education and improving productivity. Further it is observed that high positive correlation between convenience and worker's health facilities. Worker's facilities are positively and highly correlated with conveniences, workers' education and improving productivity. Improving productivity is significant and positively correlated with conveniences, worker's health facilities, worker's education.

Table 4: Shows factors and its impact for low morale

Descriptive term	No. of respondents	%
Depressed	20	4
Unwilling to do work	35	7
Lethargy	45	9
Lack of motivation	36	7
Unhappy	14	2.7
tired	44	9
Stressful	56	11
climate	89	17.5
Sad new	91	17.9
Powerlessness	36	7

Interpretation:

From the table we can understand that most of the respondents i.e. 18% responded that negative or sad news generally because for low morale, 11% responded that stressfulness is the key reason for low morale. 9 percent of the respondents responded that tiredness and lethargy is the core reason for low morale.

Table 5: Show the ranking of high morale factor in company

Descriptive item	Rank
Happy	4
Want to go to work	1
Excitement confidence	3
Team work	2
Enthusiasm, contented	5
Satisfaction	2
Valued, enjoyment, achieving	7
Pride	8
worthiness	5
Recognition	6
Trusted	8
Stress-free	10
secure	9

Interpretation:

From the table the researcher asked the respondents to rank some factors which will create more morale to the employees. A list of 13 factors were listed and asked them to rank from one to 13. From the table we can understand that employees of vizag steel plant are ready to work. They had given second rank to team work and psychological satisfaction at work place. They had given third rank to confident and excitement. Happiness got fourth rank enthusiasm and worthiness got fifth rank. Recognition was given 6th rank as high motivating or morale factor. Remaining was given rest of the ranks.

9. Discussion

1) The respondents identified High morale factors which effects on productivity. Most of the people had given priority for "the work itself". Team work and

satisfaction in contributing the results. They had given third rank to confident and excitement. Happiness got fourth rank, enthusiasm and Confidence and happiness were selected as third and fourth element in creating high morale.

- 2) Worthiness of the Job. Recognition in the plant ranked as 5th and 6th factors in creating high morale. Motivation, trust, security and stress free were selected as next elements
- 3) People expressed their high level of satisfaction towards welfare facilities provided by vizag steel Ltd. The analysis saying that sufficient number of urinals, bathrooms, washrooms etc., they are happy at the canteen facility.
- 4) Workers are high satisfied with the health facilities like medical facility to the employee and his/her dependents. It is having a hospital at Visakhapatnam plus many good referral hospitals in and around the city.
- 5) Now a day's information and knowledge playing a vital role to promote worker education. The initiatives of vizag steel ltd like providing reading rooms, availability of newspapers, children education and transportation and banking facilities leads to build morale.
- 6) Morale among employees also based as image of the firm. An attempt was made by the researcher to know the image of Vizag Steel Ltd in Society. The reputation of firms in the community is good. They also expressed their satisfaction that their friends and family also appreciate their employment in vizag steel Ltd.

10. Conclusion

To conclude, high morale for workers translated into higher productivity and efficiency. A worker who feels comfortable at workplace help him to maintain the status quo. It stimulates them to produce the quality contribution which makes the company to mark its brand. The successful mantra of any organization is "Mutuality of interest" principle which drives the organization.

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