



“A STUDY ON EMPLOYEE RELATIONSHIP MANAGEMENT “

BOSE V¹, Sivakanni S²

¹ MBA Student of Jerusalem College of Engineering, Chennai, Tamil Nadu, India

² Professor, Jerusalem College of Engineering, Chennai, Tamil Nadu, India

DOI : <https://doi.org/10.55248/gengpi.5.1124.3138>

ABSTRACT :

Employee Relationship Management (ERM) is a strategic approach focused on fostering positive and productive relationships between an organization and its employees. Rooted in Human Resource Management (HRM) and organizational behavior, ERM is designed to enhance job satisfaction, improve employee retention, and drive organizational success. The key components of ERM include effective communication, employee engagement, conflict resolution, recognition, and professional development. Through ERM, organizations aim to align employee goals with corporate objectives, creating a collaborative and harmonious work environment. The framework also incorporates digital tools for tracking employee feedback, managing grievances, and monitoring overall engagement levels, which are essential for modern workplace dynamics. By prioritizing ERM, companies can cultivate a loyal workforce, reduce turnover, and improve overall productivity, ultimately supporting sustainable growth and competitive advantage in today's complex business environment.

Key words: Employee Engagement, Employee Feedback, Communication, Job Satisfaction.

INTRODUCCION:

Employee Relationship Management (ERM) is a fundamental aspect of Human Resource Management focused on fostering positive, supportive, and mutually beneficial relationships between employees and the organization. In today's competitive and dynamic business landscape, ERM has become crucial for enhancing job satisfaction, reducing turnover, and improving overall workforce productivity. By prioritizing effective communication, conflict resolution, employee engagement, and well-being, organizations aim to build a harmonious work environment where employees feel valued and aligned with corporate goals. ERM also encompasses the use of digital tools for gathering employee feedback, managing grievances, and monitoring engagement, offering a structured approach to understanding and addressing employee needs. Ultimately, ERM is a strategic tool for organizations to develop a dedicated, motivated, and high-performing workforce that drives long-term organizational success.

REVIEW OF LITERATURE:

S Strohmeier 2013

Employee Relationship Management (ERM) is an emerging approach in HR that focuses on building personalized, mutually beneficial relationships with employees using information technology. As an early-stage concept with limited consensus, this paper aims to clarify ERM, exploring its strategic, process-oriented, and technological components, inspired by Customer Relationship Management (CRM). A preliminary outline of ERM is presented, highlighting key areas for further research, conceptual development, theoretical grounding, and empirical evaluation.

MS Rahman, RK Taniya 2017

This study investigates the impact of Employee Relationship Management (ERM) on employee performance in private commercial banks in Bangladesh. A sample of 85 full-time bank employees from 15 banks was surveyed using a five-point Likert scale. Through correlation and regression analysis, the study finds that ERM components like Human Resources Practices, Leadership Styles, and Shared Goals/Values significantly influence employee performance, while Communication and Trust have a moderate impact. The results suggest that banks should prioritize these ERM components to enhance employee performance.

H Brhane, S Zewdie 2018

Employees are essential assets for any organization, and achieving organizational goals depends on creating a work environment that meets both employee and management needs. This paper examines key components of employee relationship management—such as communication, participative leadership, shared goals, mutual trust, motivation, and conflict management—and their impact on employee performance. It also explores performance metrics and identifies gaps in previous research, which has yet to fully address how employee relations affect performance outcomes.

GS Dhanesh 2014 This study explores Corporate Social Responsibility (CSR) as a strategy to enhance organization-employee relationships. A survey of 244 employees from two large public companies in India shows strong positive links between employees' perceptions of CSR practices and relationship dimensions like trust, commitment, satisfaction, and control mutuality. Notably, the legal, ethical, and discretionary aspects of CSR show significant impacts, suggesting CSR's effectiveness as a relationship management tool, particularly for strengthening employee relations.

Y Yang, TF Stafford, M Gillenson 2011

This study extends the Customer Relationship Management (CRM) concept to internal Business-to-Employee relationships, exploring Employee Relationship Management (ERM) systems. Findings indicate that employee satisfaction with ERM systems depends on perceptions of system quality and usefulness. High-quality systems alone do not ensure satisfaction; systems must also be perceived as useful for their intended purposes. This emphasizes the importance of accurately assessing employee needs during the design phase of ERM systems to ensure they align with HR support requirements.

AP Akpan, AA Okwudu, OA Imagha 2021

This article explores the use of Customer Relationship Management (CRM) techniques in Employee Relationship Management (ERM) to build individualized relationships with employees. A study, sponsored by the U.S. Navy, investigated how Web-based personalization on a portal could improve sailor morale and retention. The article also examines how CRM personalization methods can be applied beyond marketing, including in employee relations.

NEED OF STUDY :

Employee Relationship Management (ERM) encompasses the strategies and practices employed by organizations to foster positive interactions between employees and management. Effective ERM is crucial for enhancing employee satisfaction, engagement, and overall productivity.

This paper explores the fundamental principles and best practices of ERM, emphasizing the importance of clear communication, conflict resolution, and employee feedback mechanisms.

ERM IS a vital component for building a cohesive and motivated workforce in today's competitive business environment

SCOPE OF STUDY :

The scope of ERM includes several critical areas: developing effective communication channels, implementing conflict resolution strategies, fostering employee engagement, and managing performance feedback.

This paper classified into these key components, exploring how ERM frameworks are tailored to address diverse organizational needs.

It covers the implementation of ERM systems, the role of technology in facilitating employee interactions, and the integration of ERM practices with organizational culture.

The study also examines the challenges organizations face in maintaining effective employee relationships and proposes strategies to overcome these obstacles.

LIMITATIONS OF STUDY :

Organizational culture: Unique organizational culture may limit generalizability to other contexts.

Time constraints: Cross-sectional design may not capture longitudinal change

OBJECTIVES OF STUDY :

Primary Objective:

To study the significance of employee relationship management

Secondary Objectives:

To analyse the impact of communication on relationship management

To find the effect of employee relationship management on employee motivation

METHODOLOGY:

The study aims to explore the characteristics and interrelationships among key variables, including employee relationship management, communication, motivation, and employee satisfaction, focusing on understanding how these factors collectively influence employee relations. A descriptive research design was adopted, which is suited for outlining the characteristics and behaviours within a population, providing a comprehensive view of the target group. To gather data, questionnaires were employed as the primary tool, allowing the study to capture nuanced insights about employee experiences and perspectives. Data collection was conducted through this systematic approach, utilizing structured questionnaires designed to elicit detailed information on ERM factors and their impact on employee satisfaction. This method offers a robust way to quantify perceptions and attitudes, creating a clearer picture of employee relationship dynamics for analysis.

DATA ANALYSIS AND INTERPRETATION:**PERCENTAGE ANALYSIS FOR GENDER OF THE RESPONDENTS****GENDER**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	48	48.0	48.0	48.0
	female	51	51.0	51.0	99.0
	prefer not to say	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

INFERENCE

From the above table its shown that out of 100 employees 48 % are male, 51% are female ,1% and prefer not to say.

PERCENTAGE ANALYSIS FOR AGE OF THE RESPONDENTS**AGE**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 to 30 years	99	99.0	99.0	99.0
	30 to 40 years	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

INFERENCE

From the above table its shown that out of 100 employees 99 % are 20 TO 30 Years, 1% 30 TO 40 Years

PERCENTAGE ANALYSIS FOR EDUCATION QUALIFICATION OF THE EMPLOYEES

EDUCATIONAL QUALIFICATION					
			Percent	Valid Percent	Cumulative Percent
Valid	diploma	2	2.0	2.0	2.0
	ug	39	39.0	39.0	41.0
	pg	59	59.0	59.0	100.0
	Total	100	100.0	100.0	

INFERENCE:

From the above table show that out of 100 employees 2% are diploma ,39% are ug ,59% are pg.

PERCENTAGE ANALYSIS FOR DESIGNATION OF THE EMPOLYEEES

DESIGNATION					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	regular employee	23	23.0	23.0	23.0
	part-time employee	13	13.0	13.0	36.0
	self employed	3	3.0	3.0	39.0
	un-employed	17	17.0	17.0	56.0
	student	44	44.0	44.0	100.0
	Total	100	100.0	100.0	

INFERENCE:

From the above table show that out of 100employees 23% are regular employees ,13% are part time employees ,3% are self employed 17% are un-employed ,44% are student

CHI SQUARE

To find out the association between gender and How often are you recognized and appreciated For hard work and achievement.

H₀ : there is no association gender and How often are you recognized and appreciated For hard work and achievement.

H₁: there is an association between gender and How often are you recognized and appreciated For hard work and achievement

Test Statistics

	3. How often are you recognized and appreciated for hard work and achievements?	
	GENDER	
Chi-Square	47.180 ^a	18.960 ^b
df	2	3
Asymp. Sig.	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3.

b. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 25.0.

INFERENCE:

From the above table ,we can find that the significant Value is 0.000,which is less that table value 0.05, so the Null hypothesis is rejected and alternative hypothesis Is accepted.

Therefore there is an association between gender and How often are you recognized and appreciated For hard work and achievement

ANOVA

To find out the significance between how do you foster a sense of trust and respect between managers and employees and How do you describe the company culture

H₀ : there is no significance difference between how do you foster a sense of trust and respect between managers and employees and How do you describe the company culture

H₁: there is an significance difference between how do you foster a sense of trust and respect between managers and employees and How do you describe the company culture

ANOVA

11 . How do you describe the company culture?

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	25.731	3	8.577	4.911	.003
Within Groups	167.659	96	1.746		
Total	193.390	99			

INTERPRETATION:

The above table shows that one way ANOVA was conducted to identify influence of between how do you foster a sense of trust and respect between managers and employees and How do you describe the company culture The significant value $p=0.003$ so, there is an significance difference between how do you foster a sense of trust and respect between how do you foster a sense of trust and respect between managers and employees and How do you describe the company culture

FINDINGS :

The demographic analysis shows that among the 100 employees surveyed, 48% are male, 51% are female, and 1% preferred not to disclose their gender. In terms of age, 99% fall within the 20-30 years range, and only 1% are between 30-40 years. Educational qualifications reveal that 2% hold a diploma, 39% have an undergraduate degree, and 59% possess a postgraduate degree. Regarding employment status, 23% are regular employees, 13% are part-time employees, 3% are self-employed, 17% are unemployed, and 44% are students. The Chi-Square test results indicate a significant association between gender and recognition frequency ($p = 0.000$), suggesting that gender may influence how often employees are acknowledged for achievements. Additionally, a one-way ANOVA found a significant difference ($p = 0.003$) between trust-building efforts and perceptions of company culture, indicating that fostering trust and respect between managers and employees impacts how employees view the organizational culture. Both tests support the alternative hypotheses, highlighting important relational dynamics within the organization.

SUGGESTIONS :

For this study on Employee Relationship Management (ERM), focusing on enhancing positive organizational relationships, consider incorporating insights into how digital tools support ERM objectives, especially in modern workplaces. Highlighting digital tools for gathering feedback and tracking engagement could underscore ERM's relevance in today's tech-driven environments. Additionally, using visual representations, such as charts or graphs for demographic data, may help readers quickly grasp workforce composition. Lastly, including a discussion on external factors like industry trends or economic shifts can provide context to the ERM dynamics unique to your study population.

REFERENCES :

- [1] Abushawish, N. (2013). Antecedents and Consequences of ORGANIZATIONAL TRUST APPLIED STUDY.
- [2] Ahmad, S., & Shahzad, K. (2011). HRM and employee performance: A case of university teachers of Azad Jammu and Kashmir (AJK) in Pakistan. *African Journal of Business Management*, 5(13), 5249-5253.
- [3] Alnaqbi, W. (2011). The Relationship Between Human Resource Practices and Employee Retention in Public Organizations: An Exploratory Study Conducted in The United Arab Emirates.
- [4] Al-Shareef, T. (2003). Leadership styles and its relationship to employees performance as seen by employees in the Emirate of Makah.
- [5] Ansong, F., Akoka, K. O., & Dwumah, P. (2012). Employee Involvement in Decision Making and Workers Performance in Selected Organizations in Ashanti Region of Ghana. *International Journal of Multidisciplinary Management Studieg*, 2(6), 11-23.
- [6] Bajaj, R. (2013). Suggestions to Implement Human Relations and Its Determinants in Public Sectors. *American Journal of Engineering Research*, 02(12), 91-97.
- [7] Bajaj, R., Sinha, S., & Tiwari, V. (2013). Crucial Factors of Human Resource Management for Good Employee Relations: A Case Study. *International Journal of Mining, Metallurgy & Mechanical Engineering*, 1(2), 90-92.
- [8] Brumback, G. (2011). Performance Management Fundamentals. *Industrial and Organizational Psychology*, 4, 182-183.
- [9] Carstens, F., & Barnes, N. (2006). The Quality of Leader/Employee Relationship In Business Performance. *Journal of Human Resource Management*, 4(2), 10-19.
- [10] Chinomona, R., & Sandada, M. (2013). Shared Goal, Communication and Absence of Damaging Conflicts as Antecedents of Employee Relationship Strength at Institutions of Higher Learning in South Africa. *Mediterranean Journal of Social Sciences*, 4(3), 137-145.
- [11] Daniel, T. (2003). Tools for Building a Positive Employee Relations Environment. *Employment Relations Today*, 30(2), 51-64.
- [12] Daniela, I., Mihaela, B. C., & Ionel, M. (2008). The Impact of Manager – Employee Relationship on Improving Performances in Tourist Industry. *Annals of the University of Oradea, Economic Science Series*, 17(4), 54-60.
- [13] Dirks, K., & Ferrin, D. (2002). Trust in Leadership: Meta-Analytic Findings and Implications for Research and Practice. *Journal of Applied Psychology*, 611-628.
- [14] Foley, S., Lau, C. M., & Ngo, H.-Y. (2008). Strategic Human Resource Management, Firm Performance and Employee Relations Climate in China. *Human Resource Management*, 47(1), 73–90.
- [15] Gegax, T. (2006). Relationship Management: Create An Enlightened Work Environment And Reap The Rewards
- [16] Gillenson, M., Stafford, T., & Yang, Y. (2011). Satisfaction with Employee Relationship Management Systems: The Impact of Usefulness on Systems Quality Perceptions. *European Journal of Information Systems*, 20, 221–236.
- [17] Hayward, B. A. (2005). Relationship between Employee Performance, Leadership and Emotional Intelligence in A 96 Md. Sahedur Rahman et al.: Effect of Employee Relationship Management (ERM) on Employee Performance: A Study on Private Commercial Banks in Bangladesh South African Parastatal Organization. Rhodes University – Master Thesis.
- [18] Herington, C., Johnson, L., & Scott, D. (2009). Firm–employee relationship strength—A conceptual model. *Journal of Business Research*, 1096–1107.

- [19] Holtzhausen, L., & Fourie, L. (2011). Employees' perceptions of institutional values and employer -employee relationships at the North-West University. *Journal of Public Affairs*, 11(4), 243–254.
- [20] Huang, Y. K., & Guo, L. (2009). Trust Factors in a Manager-Employee Relationship over Time. *International*
- [21] Jing, Z. (2013). Research on Employee Relationship Management of SMEs in china. fifth international conference, (pp. 1-7). China.
- [22] Kantabutra, S., & Avery, G. (2009). Shared Vision In Customer And Staff Satisfaction: Relationships And Their Consequences. *The Journal of Applied Business Research*, 25(4), 9-22.
- [23] Kar, B., Sharma, A., & Borah, S. (2011). Attrition in SMEs: The Causes. *European Journal of Business and Management*, 3(5).
- [24] Lagergren, N., & Andersson, V. (2013). Becoming the CFO's best friend by gaining a deeper customer understanding. Master Thesis.
- [25] Mosleh, A. (2008). The effect of the managerial communications system on performance according to the employees and academic supervisors.
- [26] Ngari, J. M., & Agusioma, N. L. (2013). Influence of Employee Relations on Organization Performance of Private University in Kenya. *International Journal of Innovative Research and Studies*, 2(8), 183-210.
- [27] Noordin, F., Omar, S., Sehan, S., & Idrus, S. (2010). Organisational Climate and Its Influence on Organisational Commitment. *International Business & Economics Research Journal*, 9(2), 1-10.
- [28] Oluchi, O. (2013). Co-operation Between Employee and Management to In-crease Productivity: A Case Study of Mobil Producing Nigeria Unlimited. *International Business Management*.
- [29] Onyango, O. A. (2014). Perception of the Effectiveness of Employee Relationship Management Practices in Large Civil Society Organizations in Nairobi.
- [30] Pareek, V., & Rai, A. K. (2012). Building Relationship with Employees: An Employee Relationship Management Model. *Journal of the Management Training Institute*, 39(4), 32-37.
- [31] Pradeep, D. D., & Prabhu, N. (2011). The Relationship between Effective Leadership and Employee Performance. *International Conference on Advancements in Information Technology*, 198-207.
- [32] Prouse, G. (2004). Employee Relationship Management. Hitachi Consulting.
- [33] Pulakos, E., & O'leary, R. (2011). Why Is Performance Management Broken? *Industrial and Organizational Psychology*, 4, 146-164.
- [34] Reddy, J. S., & Prasad, J. (2010). ERM: A key to The Success of CRM. *International Journal of Research in Commerce & Management*, 1(6), 76-80.
- [35] Shahzad, K., Bashir, S., & Ramay, M. (2008). Impact of HR Practices on Perceived Performance of University Teachers in Pakistan. *International Review of Business Research Papers*, 4(2), 302-315.
- [36] Sinha, S., & Bajaj, R. (2013). Successful Human Resource Management Determinants to Build Good Employee Relations. *International Journal of Human Resource Management and Research*, 3(2), 31-36.
- [37] Strohmeier, S. (2013). Employee relationship management — Realizing competitive advantage through information technology. *Human Resource Management Review*, 93–104.
- [38] Tansel, A., & Gazioglu, S. (2013). Management Employee Relations, Firm Size and Job Satisfaction. *International Journal of Manpower*, 35 (8), 1260-1275.
- [39] Thorzen, M. (2011). Analysis of Customer Relationship Management Systems Compliance with Organizational Needs- An industrial case study in a Spanish organization.
- [40] Tzafir, S. S. (2005). The Relationship between Trust, HRM Practices and Firm Performance. *The International Journal of Human Resource Management*, 16(9), 1600-1622.
- [41] Vigoda-Gadot, E. (2007). Leadership style, organizational politics, and employees' performance An empirical examination of two competing models. *Personnel Review*, 36(5), 661-683.
- [42] Vineet, T., Sinha, S., & Bajaj, R. (2013). Employee Relationship Management: an effective means to develop Public Sectors. *Journal Search And Research*, 4(3), 21-27.
- [43] Wargborn, C. (2008). Managing Motivation In Organizations - Why Employee Relationship Management Matters. Saarbruecken: VDM.
- [44] Yongcai, Y. (2010). Employee Relationship Management of Small and Medium-sized Enterprises. *International Conference on E-Business and E-Government*. IEEE.