



## A STUDY ON EMPLOYER AND EMPLOYEE RELATIONSHIP

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### ABSTRACT :

This project focuses on examining the intricate dynamics of employer-employee relationships within organizations and their impact on organizational effectiveness and employee wellbeing. Through a comprehensive investigation, we aim to understand the various factors influencing these relationships, including communication, trust, leadership style, and organizational culture.

Using a mixed-method approach, including surveys, interviews, and data analysis, we seek to gain insights into the complexities of employer-employee relationships. By analyzing the correlation between relationship quality and key organizational outcomes such as employee engagement, job satisfaction, and turnover rates, we aim to identify strategies for fostering positive relationships in the workplace.

Ultimately, this research aims to provide practical recommendations for organizations to improve their employee relationship strategies, leading to a more conducive work environment, enhanced productivity, and better overall organizational performance. By emphasizing the importance of nurturing healthy relationships between employers and employees, this study aims to contribute to the development of more resilient and successful organizations

### INTRODUCTION:

In today's dynamic workplace environments, the relationship between employers and employees plays a pivotal role in organizational success and employee well-being. This study delves into the multifaceted aspects of this critical interaction, aiming to unravel the complexities that define and influence this relationship. The employer-employee relationship encompasses a spectrum of interactions, ranging from organizational policies and structures to interpersonal dynamics and psychological contracts. Understanding these dynamics is essential for fostering a harmonious work environment, promoting employee engagement, and ultimately driving organizational performance.

This project seeks to examine key dimensions of the employer-employee relationship, including communication patterns, trust levels, leadership styles, and the impact of organizational culture. By analyzing these factors, we aim to identify best practices that can enhance mutual understanding, promote job satisfaction, and mitigate conflicts in the workplace.

### INDUSTRY PROFILE

Indian leather industry is the core strength of the Indian footwear industry. It is the engine of growth for the entire Indian leather industry and India is the second largest global producer of footwear after China.

Reputed global brands like Florsheim, Nunn Bush, Stacy Adams, Gabor, Clarks, Nike, Ecco, Deichmann, Elefanten, St Michaels, Hasley, Salamander and Colehaan are manufactured under license in India. Besides, many global retail chains seeking quality products at competitive prices are actively sourcing footwear from India.

While leather shoes and uppers are produced in medium to large-scale units, the sandals and chappals are produced in the household and cottage sector. The industry is poised for adopting the modern and state-of-the-art technology to suit the exacting international requirements and standards. India produces more of gent's footwear while the world's major production is in ladies footwear. In the case of chapels and sandals, use of non-leather material is prevalent in the domestic market.

### MAJOR PRODUCTION CENTERS

The major production centres for footwear and leather products are located in:

- Tamil Nadu - Chennai, Ambur, Ranipet, Vaniyambadi, Trichy
- West Bengal - Kolkata
- Uttar Pradesh - Kanpur, Agra & Noida

- Punjab -Jalandhar
- Karnataka - Bangalore
- Andhra Pradesh - Hyderabad
- Haryana - Ambala, Gurgaon, Panchkula and Karnal, Delhi.

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## ORGANIZATIONAL PROFILE:

INDIA SHOES EXPORT Private Limited was Established in the year of 1998 at Chennai. It is full shoe factory, being one of the biggest facilities in South India.

INDIA SHOES EXPORT is the pioneer in the Indian leather industry and Benchmark for the rest. Ever since its, inspection, the INDIA SHOES has followed the principle of putting enterprise, innovation and integrity above everything else INDIA SHOES was established in the year 1998 and is the full shoe factory of the group.

The plant is engaged in the manufacturing of high quality shoes & sandals. India shoes group believe that achieving business leadership is not a destination but a journey in itself. On our growth and expansion drive e appreciated the need for a systems driven organization.

The manufacturing unit is managed by a team of qualified personnel who look for continual improvements in technology, operations and products. The management has defined and documented its quality policy and objectives. These are made know to every employee through training programmers, posters and cards and the commitment to achieve Quality Policy by following the Quality Management Systems is ensured.

India shoes Corporate Identification Number (CIN) is U19201TN1998PTC040339. It was registered on 17/04/1998 at Registrar of Companies-Chennai and its registration number is 40339. Its registered address is No. 151/4, Mount Poonamallee Road, Ramapuram, Chennai-600089, Tamil Nadu, India.

### **VISION:**

The leather industry today has become highly competitive with the arrival established name within India and aggressive competition by internal competitors like china. This means all of us at Venture Group should realize the quality alone pays and quality indeed gives us a competitive edge in international business.

Our vision is to strive for synergy between technology. Systems and Resources to innovate footwear and footwear components.

### **MISSION:**

To achieve and sustain the market leadership in development, production and export of high quality footwear and upper and simultaneously enhance the development and well-being of all employees.

Exploring and achieving low cost innovation in footwear manufacturing with primary focus on.

- Low cost innovation via industry.
- Identifying potential human resource.
- To enhance industry for gaining synergy in innovation.

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## REVIEW OF LITERATURE:

1. Chen, Y., & Choi, J. (2018). "Exploring the Role of Leadership in Shaping Employer- Employee Relationships: A Systematic Review." *The Leadership Quarterly*, 29(4), 487-502.  
Leadership behaviour, including transformational and ethical leadership styles, plays a crucial role in fostering positive employer-employee relationships. Effective leadership enhances trust, communication, and collaboration within organizations.
2. Davenport, J., & Harris, M. (2017). "The Impact of Organizational Justice on Employer- Employee Relationships: A Meta-Analysis." *Journal of Applied Psychology*, 102(11), 1533- 1563.  
Organizational justice, including distributive, procedural, and interactional fairness, significantly affects the quality of employer-employee relationships. Fair treatment enhances trust and reduces turnover intentions among employees.
3. Fisher, R., & Patel, P. (2019). "Employee Voice and Its Impact on Employer-Employee Relationships: A Literature Review." *Human Resource Management Journal*, 29(1), 23-45.  
Encouraging employee voice, including feedback, suggestions, and participation in decision-making, enhances the quality of employer-employee relationships. Organizations benefit from increased employee engagement and innovation.

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## OBJECTIVES OF THE STUDY

### PRIMARY OBJECTIVE:

- \*To identify employee and employer relationship in the organization.
- \*To analyze the factors not contribute to healthy employee-employer relationship.

### SECONDARY OBJECTIVES:

- To identify the factor that contribute to employee-employer relationship
- To analyze the measure taken by the org. to resolve the deviation between employer and employee
- To study the impact of employer and employee relationship on employee performance
- To study the effect of employee-employer relation on job satisfaction
- To suggest the measures used to be taken by org. to maintain employee and employer relationship

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## HYPOTHESIS OF THE STUDY

**NULL HYPOTHESIS:** There is no significant difference between gender and factors that contributes most to positive employer-employee relationship in assessing the organizational culture.

**ALTERNATIVE HYPOTHESIS:** There is a significant relationship between gender and factors that contributes most to positive employer-employee relationship in assessing the organizational culture.

### SOURCES OF DATA

The data collected from both primary and secondary data.

#### a) Primary data collection

Primary data is first-hand information; it was collected from the respondent by using a structured questionnaire. The responses are collected in INDIA SHOES EXPORT PRIVATE LIMITED by distributing questionnaire among 100 individuals. The sample was drawn by using convenience sampling method.

#### b) Secondary data collection

Secondary data was collected through the secondary sources like articles, websites etc.

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## SAMPLING PLAN

**Random sampling:** The sampling design is a definite plan for obtaining a sample from a given population. In this research, I had to use the sampling methods.

**Size of sample:** The sample size of respondents are 100 individuals.

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## DATA COLLECTION INSTRUMENTS

### TOOLS AND TECHNIQUES OF DATA COLLECTION

Data are collected from respondents through questionnaires. Questionnaires are tabulated and diagrams are prepared on the basis of tables

- PERCENTAGE METHOD

Percentage refers to a special kind of ratio percentages are used in making comparing between preferences, awareness and satisfaction with various other factors.

- PIE CHART

A pie chart is a circular statistical graphic, which is divided into slices to illustrate numerical proportion. In a pie chart, the arc length of each slice is proportional to that will represents the data as per the responses by respondents throughout the questionnaire.

### STATISTICAL TOOL FOR ANALYSIS

- CHI-SQUARE TEST:

A chi-square test is a statistical test that is used to compare observed and expected results. The goal of this test is to identify whether a disparity between actual and predicted data is due to chance or to a link between the variables under consideration. As a result, the chi-square test is an ideal choice for aiding in our understanding and interpretation of the connection between our two categorical variables.

- CORRELATION ANALYSIS

Correlation analysis, also known as bivariate, is primarily concerned with finding out whether a relationship exists between variables and then determining the magnitude and action of that relationship.

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{[n \sum x^2 - (\sum x)^2][n \sum y^2 - (\sum y)^2]}$$

FORMULA:

**LIMITATIONS OF THE STUDY**

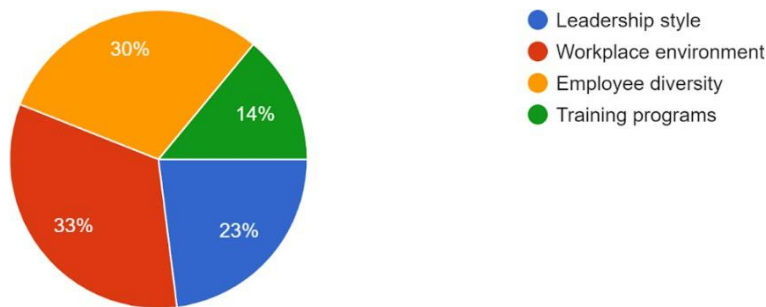
- Difficulty in capturing the nuanced nature of employer-employee relationships, which can be influenced by individual personalities and interpersonal dynamics.
- Limited scope to account for cultural differences and diverse organizational structures, affecting the generalizability of findings.
- Potential bias in self-reported data due to social desirability or fear of repercussions, leading to inaccuracies in assessing the true nature of relationships.
- Challenges in measuring the impact of employer-employee relationships on organizational outcomes, as causal inference can be complex.
- Inability to control for external factors such as market conditions or industry disruptions, which may inadvertently influence the dynamics of the employer- employee relationship.

**ANALYSIS AND INTERPRETATION OF DATA**

**TABLE NO.: 1 IN ASSESSING ORGANIZATIONAL CULTURE WHICH FACTOR CONTRIBUTE MORE TO POSITIVE EMPLOYER-EMPLOYEE RELATIONS?**

PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
Leadership style	23	23%
Workplace environment	33	33%
Employee Diversity	30	30%
Training programs	14	14%
TOTAL	100	100

**CHART NO:1 IN ASSESSING ORGANIZATIONAL CULTURE WHICH FACTOR CONTRIBUTE MORE TO POSITIVE EMPLOYER-EMPLOYEE RELATIONS?**



**INTERPRETATION**

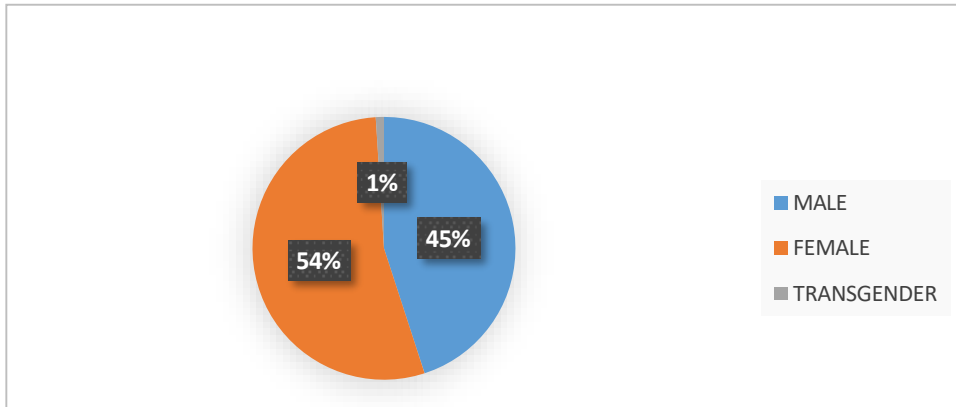
The table and chart shows in assessing organizational culture which factor contribute more to positive employer-employee relations? 23% of the respondents are responded to leadership style, 33% are responded to workplace environment, 30% are responded to employee diversity, 14% are responded to training programs.

**TABLE NO:2 GENDER WISE CLASSIFICATION**

GENDER	NO. OF RESPONDENTS	% OF RESPONDENTS
MALE	45	45%

FEMALE	54	54%
TRANSGENDER	1	1%
<b>Total</b>	<b>100</b>	<b>100</b>

**CHART NO:2 GENDER OF RESPONDENTS**



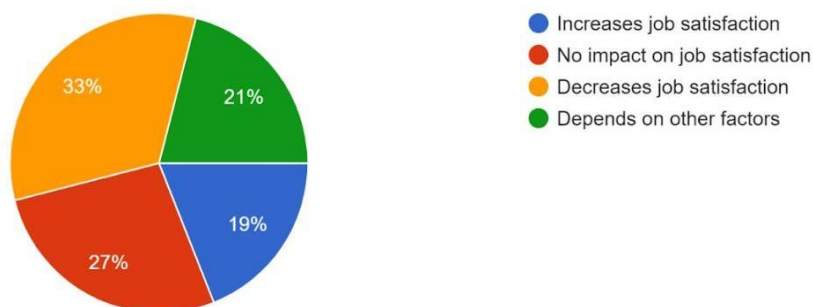
**INTERPRETATION**

The table and chart shows the gender classification of the respondents. 45% of the respondents are male, 54% of the respondents are female, and the remaining 1% of the respondent is transgender.

**TABLE NO.: 3 HOW DOES A POSITIVE EMPLOYER- EMPLOYEE RELATIONSHIP INFLUENCE AN EMPLOYER- EMPLOYEE JOB SATISFACTION?**

PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
Increases job satisfaction	19	19%
No impact on job satisfaction	27	27%
Decreases job satisfaction	33	33%
Depends on other factors	21	21%
<b>TOTAL</b>	<b>100</b>	<b>100</b>

**CHART NO:3 HOW DOES A POSITIVE EMPLOYER- EMPLOYEE RELATIONSHIP INFLUENCE AN EMPLOYER- EMPLOYEE JOB SATISFACTION?**



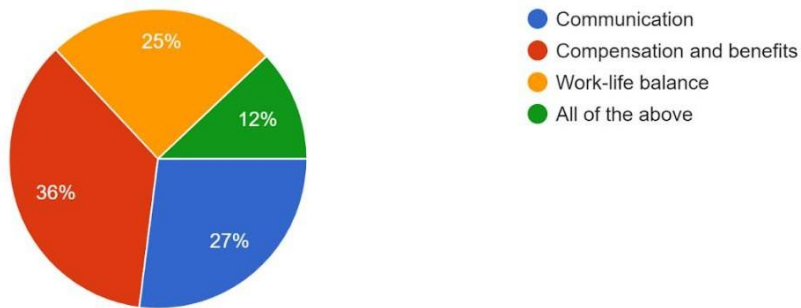
INTERPRETATION

The table and chart shows how does a positive employer-employee relationship influence an employer-employee job satisfaction? 19% of the respondents are responded to increases job satisfaction, 27% are responded to no impact on job satisfaction, 33% are responded to decreases job satisfaction, 21% are responded to depends on other factors.

**TABLE NO: 4 WHAT FACTORS CONTRIBUTE POSITIVE EMPLOYER-EMPLOYEE RELATIONSHIP?**

PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
Communication	27	27%
Compensation and benefits	36	36%
Work life balance	25	25%
All of the above	12	12%
TOTAL	100	100

**CHART NO:4 WHAT FACTORS CONTRIBUTE POSITIVE EMPLOYER-EMPLOYEE RELATIONSHIP?**



INTERPRATATION

The table and chart shows what factors contribute positive employer-employee relationship? 27% of respondents responded to communication, 36% are responded to compensation and benefits, 25% are responded to work life balance, and remaining 12% are responded to all the above.

**CHI SQUARE TEST:**

**HYPOTHESIS FOR THE RESEARCH:**

**HYPOTHESIS 0:** There is no significant difference between gender and the factors that contributes most to positive employer-employee relationship in assessing the organizational culture.

**HYPOTHESIS 1:** There is significant difference between gender and the factors that contributes most to positive employer-employee relationship in assessing the organizational culture.

**OBSERVED VALUE**

GENDER	Leadership style	Workplace environment	Employee diversity	Training programs	TOTAL
MALE	13	19	13	10	55
FEMALE	10	14	16	4	44
TRANSGENDER	0	0	1	0	1
	23	33	30	14	100

**EXPECTED VALUE**

O	E	O-E	(O-E) <sup>2</sup>	(O-E/E) <sup>2</sup>
13	12.65	0.35	0.1225	0.0096
19	18.15	0.85	0.7225	0.0398
13	16.5	-3.5	12.25	0.7424
10	7.7	2.3	5.29	0.6870
10	10.12	-0.12	0.0144	0.0014
14	14.52	-0.52	0.2704	0.0186
16	13.2	2.8	7.84	0.5939
4	6.16	-2.16	4.6656	0.7574
0	0.23	-0.23	0.0529	0.23
0	0.33	-0.33	0.1089	0.33
1	0.3	0.7	0.49	1.63
0	0.14	-0.14	0.0196	0.14
			<b>CV</b>	5.1801

CALCULATED VALUE: 5.1801

DEGREE OF FREEDOM:

$$\begin{aligned}
 DF &= (r-1) (c-1) \\
 &= (4-1) (3-1) \\
 &= 3*2=6. [12.592]
 \end{aligned}$$

Table Value=12.592

The Table value is greater than the calculated value so we accept the **NULL HYPOTHESIS**

**INTERPRETATION**

Since the calculated chi square value (5.1801) is less than the total value (12.592), we fail to reject the null hypothesis. This means that there is no significant difference between gender and the factors that contributes most to positive employer-employee relationship in assessing the organizational culture.

**CORRELATION ANALYSIS**

A correlation statistical test used to results with expected results.

**STEP 1 X=**

PARTICULARS	NO. OF RESPONDENTS
Communication	27
Compensation and benefits	36
Work life balance	25
All of the above	12
<b>TOTAL</b>	<b>100</b>

Y=

PARTICULARS	NO. OF RESPONDENTS
Increases job satisfaction	19
No impact on job satisfaction	27
Decreases job satisfaction	33
Depends on other factors	21
<b>TOTAL</b>	<b>100</b>

**STEP 2**

x	y	x <sup>2</sup>	y <sup>2</sup>	xy
27	19	729	361	513
36	27	1296	729	972
25	33	625	1089	825
12	21	441	441	252
<b>100</b>	<b>100</b>	<b>2794</b>	<b>2620</b>	<b>2562</b>

$$\begin{aligned}
 r &= \frac{N\sum xy - (\sum x)(\sum y)}{\sqrt{N\sum x^2 - (\sum x)^2} \sqrt{N\sum y^2 - (\sum y)^2}} \\
 &= \frac{4 \cdot 2562 - 100 \cdot 100}{\sqrt{4 \cdot 2794 - (100)^2} \sqrt{4 \cdot 2620 - (100)^2}} \\
 &= \frac{10248 - 10000}{\sqrt{11176 - 10000} \sqrt{10480 - 10000}} \\
 &= \frac{248}{34.29 \cdot 21.90} \\
 &= \frac{248}{750.95} \\
 r &= 0.330
 \end{aligned}$$

Positive Correlation

**INTERPRETATION**

There is a significant positive correlation between what factors contribute to a positive employer- employee relationship and how does a positive employer-employee relationship influence on employee's job satisfaction. The positive employer-employee relationship impact on the job satisfaction.

**KEY FINDINGS**

- 54% of the employees are female and 45% are male.
- 36% of respondents believe that compensation and benefits contribute to positive employer-employee relationships.
- 42% of respondents believe that a strong employer-employee relationship has no significant effect on workplace productivity
- 33% of respondents believe that the workplace environment contributes more to positive employer-employee relations.
- 32% of respondents believe that the frequency of communication is crucial aspect for forecasting strong employer-employee relations when evaluating the effectiveness of communication channels within a company.



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**CONCLUSION:**

In conclusion, the study underscores the critical importance of fostering a positive employer- employee relationship for organizational success. By prioritizing effective communication, supportive leadership, employee engagement, and a culture of trust and transparency, organizations can create an environment where employees feel valued, motivated, and empowered to contribute their best efforts. Implementing the suggested strategies can help enhance the employer-employee relationship, leading to improved job satisfaction, higher levels of productivity, and sustainable business performance in the long run.

**REFERENCE:**

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1. Scott, K. D., & Jaffe, E. D. (2016). *The employment relationship: Examining psychological and contextual perspectives*. Routledge.
2. Adams, S., & Zanzi, A. (2018). Employer-Employee Relationships and Corporate Tax Avoidance. *The Accounting Review*, 93(3), 83-111.

**WEBSITES**

1. [www.sourcebits.com](http://www.sourcebits.com)
2. [www.google.com](http://www.google.com)
3. [www.scribd.com](http://www.scribd.com)