



An Analysis of The Factors Affecting Employee Morale During Covid-19 In Manufacturing Companies in Chennai

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Abstract

In this study, the relationship between variables influencing employee morale and employee morale in the manufacturing sector during COVID-19 is empirically investigated. The sample size of 200 employees was evaluated using the "Convenience Sampling Technique." Data were analyzed using the Statistical Package for Social Science (SPSS) Version 27 and the Spearman Rank Order Correlation Coefficient. The results showed that employee morale and casualization are strongly correlated. It was determined that all exogenous variable dimensions should be supported. All of this is done to increase employee morale. As a result, the study makes the following recommendations: Management should grant access to certain perks and benefits for casual workers, including health benefits, performance bonuses, transportation allowances, etc.; they should also be permitted to have a workers' union for collective bargaining; sustained compensation policies; work on reducing stigmatization, and focus on improving working conditions in order to achieve "high" employee morale.

Key Words: Employee Morale, Covid-19, working conditions and Performance

2262

DOI Number: 10.14704/nq.2022.20.8.NQ44247

NeuroQuantology 2022; 20(8):2262-2267

1. Introduction

Through the global pandemic caused by the novel coronavirus SARS-CoV2, which spread quickly throughout the world and had catastrophic effects on people, society, and business, some have questioned whether humans will continue to exist on earth. A global public health emergency related to COVID-19 has been declared. Employee morale refers to how employees feel about their job, coworkers, boss, and company. However, some people have complained that this description is too ambiguous. The degree to which a person feels about their job and workplace is known as employee morale (EM). According to Nabinayagan & Gowsalya, employee morale is an "attitude of satisfaction with a desire to continue and work toward achieving workplace goals. Employee satisfaction, perceptions of the company, and feelings toward the company" are further definitions

of employee morale. Employee morale is the overall satisfaction of employees with their work, coworkers, managers, organization, and environment. One essential aspect of business operations is employee morale. High and low morale are two different types of morale. The former motivates employees to perform better, with benefits like employee empowerment, loyalty to the company, leadership development, and team building. The latter, however, is a sign of mental instability, including high absenteeism and labour turnover rates, worker frustration, an overabundance of complaints and grievances, etc. Because it reflects how staff members feel about the organization's goals and policies, employee morale is critical to organizational success. Employee morale is further divided into a supportive attitude toward coworkers and job satisfaction. As a result, if these two indicators are highly manifest, an employee is said to have high morale.

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2. Literature Review

Employee attitudes, feelings, and behaviours that affect work behaviour and the accomplishment of organizational goals are referred to as employee morale (Bound, Evans, & Karmel, 2018). An employee's bad attitude toward the company influences others and affects performance, claim Ogbe, Olubmmi, and Okorode (2019). Academics' workload issues, curriculum issues, and relationships between academics and heads are the difficulties that affect morale, according to Webb (2014). According to Erasmus (2020), it may be a sign of poor managerial abilities if employees are not adequately informed about training opportunities, opportunities for promotion, and departmental goals. Management must understand that low employee morale will lead to talent leaving the company and looking for work elsewhere. Employee morale is affected by organizational culture because it affects how things are done and includes rules, beliefs, values, and behaviour (Bowles & Copper, 2009). According to Boomer (2008), organizational culture is the denial of low trust, which impairs performance. A group's organizational culture is the presumptions they use to navigate internal and external integration difficulties. A culture infrastructure is defined by who is who in the workplace and how employees want to be perceived, according to O'Maolalaidh (2000).

According to research conducted by Kinjerski and Skrypnik (2006), recent tendencies toward the economization of organizations have a detrimental effect on the workforce's morale. In addition, low morale among staff members is the root cause of employees' lack of commitment to the company. These factors are contributors to low morale among employees, which has a negative impact on the activities of the organization as well as its productivity (Makawatsakul & Kleiner, 2003). Mistakes are a necessary part of the learning process, and organizations have a responsibility to acknowledge this fact. Employees must be allowed to make mistakes while also receiving appropriate feedback. Organizations that do not have enough personnel who are well-trained, talented, and experienced expose themselves to a significant amount of risk.

Because acquiring new customers is one of the organization's primary objectives, priority must be given to the organization's most important resource. There is not much of a correlation between the events at work and employees' output levels,

whether those events are positive or negative (Bowles & Copper, 2009). A company led by inexperienced or poor management often has managers who do not set an excellent example for their employees. This contributes to low employee morale. Conflicts between employees, teams and departments all contribute to low morale among staff members. When workers do not believe their efforts are being recognized or appreciated by their employer, their level of commitment and effort decreases (Haddock, 2010). The use of external recruitment has a negative impact on employee morale, and it also eliminates opportunities for career advancement. One of the primary factors contributing to low morale among workers is ineffective communication (Haddock, 2010). When workers are under the impression that they could lose their jobs in the near future, it negatively impacts their morale and productivity (Haddock, 2010). According to Bowles and Coppers (2009), several factors influence workers' morale in the workplace, including the following: Individual work and the representation of the company. The employees talk about their work and how the clients view the organization. It investigates what internal staff members have said about the organization to their networks, such as friends and family. Advantages as well as remuneration. If workers do not believe they are being paid fairly, they may seek work elsewhere (Fathaniy, 2011).

The staff members are provided with opportunities for promotion and promotion. Low morale among those already working within the system is caused by the practice of hiring new employees from outside the system rather than developing those already working there. According to Fathaniy (2011), employers are responsible for providing employees with opportunities to advance their careers to foster personal growth and professional development. Employees in production do not comply because the management is acting unprofessional, which results in unclear directions. When the day is over, productivity is lower than expected. Conditions in the workplace, some employees are not provided with the necessary tools, equipment, or office space to perform their jobs (Bowles & Coppers, 2009). The following is a list of the hypotheses that have been developed for this research:

Ho1: There is not a significant correlation between an employee's status and their morale

Ho2: There is not a significant relationship between the pay package that an employer provides and the



morale of the workforce

Ho3: There is no statistically significant correlation between stigmatization and employee morale

Ho4: There is not a significant correlation between the conditions of the workplace and the morale of the workforce

Research Method

In order to investigate the connection between casualization and employee morale in the manufacturing sector, this investigation uses a cross-sectional survey, a type of research design that falls into the category of quasi-experimental studies. Because it is impossible to research the entire population, a cross-sectional survey design is most suitable.

The target population of the study is employees of manufacturing companies in Chennai. Numerous examples exist. However, due to the difficulty of reaching the entire study's target population, a population of 200 employees was selected. Non-probability sampling was implemented. Specifically, the technique of convenience sampling was

employed. During the observation of validity and reliability, the researcher is solely responsible for selecting the sampling items, and the items he selects are deemed the most important (Katharine &Gara, 2014). Descriptive statistical measures such as tables, frequencies, and simple percentages will dominate the study's data analysis techniques. The hypotheses will be tested using the Spearman Rank Order Correlation Coefficient.

Data Analysis And Interpretation

Bivariate Data Analysis

This section aims to investigate the relationship between the dimensions of employee morale. This study's hypotheses were formulated and tested using the Spearman Rank Order Correlation Coefficient statistical technique with a 95% confidence interval. The decision rule is set at a critical region of p > 0.05 for acceptance of the null hypothesis and p 0.05 for rejection of the null hypothesis. Even though two hundred (200) questionnaires were distributed, only one hundred sixty-five (165) were retrieved and analyzed.

Ho1: Employee Status and Employee Morale

		Employee Status	Employee Morale
Spearman's rho	Correlation Coefficient	1.000	.678**
	Sig. (2-tailed)		.000
	N	165	165
	Correlation Coefficient	.678**	1.000
	Sig. (2-tailed)	.000	
	N	165	165

** . Correlation is significant at the 0.05 level (2-tailed).

This technique was utilized due to the need to establish a linear relationship between exogenous and endogenous variables using questionnaire items and the ordinal nature of the required responses. SPSS Version 27 was also utilized to analyze the research data. The following is the formula:

$$r = \frac{6 \sum di^2}{n(n^2 - 1)}$$

Where;

d = Difference between the two ranks of each observation
n = Number of observations.

Ho1: There is not a significant correlation between an employee's status and their morale

The relationship between employment status and employee morale is strong, positive, and statistically significant (rho =.678 and p = 0.000) based on the null rejection decision rule of p 0.05. Consequently, there is a strong correlation between employee status and morale.



Ho2: Pay Packages and Employee Morale

		Pay Packages	Employee Morale
Spearman's rho	Pay Packages	1.000	.745**
	Correlation Coefficient		
	Sig. (2-tailed)		.000
	N	165	165
	Employee Morale	.745**	1.000
	Correlation Coefficient		
	Sig. (2-tailed)	.000	
	N	165	165

** . Correlation is significant at the 0.05 level (2-tailed).

Ho2: There is not a significant relationship between the pay package that an employer provides and the morale of the workforce. The relationship between pay packages and employee morale is strong, positive, and statistically significant (rho =.745 and

p = 0.000), and the study rejected the null hypothesis using the p 0.05 cutoff. Consequently, there is a significant relationship between pay packages and employee morale.

Ho3: Stigmatization and Employee Morale

		Stigmatization	Employee Morale
Spearman's rho	Stigmatization	1.000	.866**
	Correlation Coefficient		
	Sig. (2-tailed)		.000
	N	165	165
	Employee Morale	.866**	1.000
	Correlation Coefficient		
	Sig. (2-tailed)	.000	
	N	165	165

** . Correlation is significant at the 0.05 level (2-tailed).

Ho3: There is no statistically significant correlation between stigmatization and employee morale. The relationship between stigmatization and employee morale is strong, positive, and statistically

significant (rho =.866 and p = 0.000), and the study rejected the null hypothesis using the p 0.05 cutoff. Consequently, there is a significant correlation between stigma and employee morale.

Ho4: Work Condition and Employee Morale

		Work Condition	Employee Morale
Spearman's rho	Work Condition	1.000	.655**
	Correlation Coefficient		
	Sig. (2-tailed)		.000
	N	165	165
	Employee Morale	.655**	1.000
	Correlation Coefficient		
	Sig. (2-tailed)	.000	
	N	165	165

** . Correlation is significant at the 0.05 level (2-tailed).

Ho4: There is not a significant correlation between the conditions of the workplace and the morale of

the workforce. The relationship between work conditions and employee morale is strong, positive,



and statistically significant ($\rho = .655$ and $p = 0.000$), and the study rejected the null hypothesis using the $p 0.05$ cutoff. Consequently, there is a close relationship between working conditions and employee morale.

Findings

The findings of hypotheses one through four indicate that formalization improves employee morale in the manufacturing sector. Similar studies pointing to these facts were conducted, so this is evident. For instance, the findings of this study are consistent with those of Fapohunda (2012) and Kayii and Dagogo (2017), who discovered a significant positive relationship between casualization and employee morale. The results of this study indicate that the casualization policy and its various ramifications directly affect employee morale. As a result, morale fluctuations will affect employee performance and effectiveness in the work environment of Chennai manufacturing companies. Because morale determines a worker's willingness and capacity to perform optimally, these fluctuations in performance occur.

According to the study, there is a direct correlation between factors affecting employee morale and their employment status; stigmatization, working conditions, and pay package directly affect an employee's morale and sense of well-being. In addition, they are unhappy with the perception that their names are written in pencil on the company's books, resulting in a lack of devoted service. Another primary concern is the relatively low compensation benefits for casual employees compared to permanent staff, which prevents them from increasing their productivity beyond the minimum required level and discourages them from driving any form of innovation to improve operations. In the end, casualization results in constant employee turnover and unrest.

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Conclusion & Recommendations

Conclusion

This study concludes that the Factors Affecting Employee Morale are directly related to employee morale (Employee Status, Pay Package, Stigmatization, and Work Condition). Therefore, all exogenous variable dimensions must be supported. This is done to increase employee morale. In addition, because casualization implies continuous employee turnover and substantially impacts employee morale, the manufacturing industry should consider ways to maintain high employee morale.

Recommendations

Management should provide employees with health insurance, bonuses, transportation allowances, and the right to form a union to represent their collective bargaining interests.

Management should also develop robust and long-term compensation policies that eliminate pay disparities between employee types.

Management should work to reduce stigmatization by increasing job satisfaction and employee morale by promoting workplace acceptance.

Boosting employee morale by improving working conditions, such as providing equal training opportunities and streamlining employee status conversion procedures.



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