

EMPLOYEE PARTICIPATION IN MANAGEMENT IN LARSEN & TOUBRO LIMITED AT CHENNAI



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ABSTRACT

Human capital is one of the most important assets in most businesses and increasingly so in a knowledge society. Employees from the top of the hierarchical structure to the bottom are the present and future of the company's potential success. A company needs to achieve maximum output of its employees both physically and intellectually. The purpose of this study is to understand the role participate management plays in employee satisfaction and productivity. The major objectives focused in the study are: to analyse about the employee participation in management in L & T at Chennai, to measure the employee participation in

L&T limited, to analyse the Employee satisfaction and commitment level towards management, to study the employee communication in L & T. This study entitled as "EMPLOYEE PARTICIPATION IN MANAGEMENT IN LARSEN & TOUBRO LIMITED AT CHENNAI" by this study the researcher may able to know about the employee participation in management of the company. The researcher can also give suggestion to improve the employee participation in organization decision making process.

KEYWORDS : *Employee Management, participative Management, Employee Commitment, Satisfaction.*

INTRODUCTION :

Human capital is one of the most important assets in most businesses and increasingly so in a knowledge society. Employees from the top of the hierarchical structure to the bottom are the present and future of the company's potential success. A company needs to achieve maximum output of its employees both physically and intellectually. The purpose of this study is to understand the role participate management plays in employee satisfaction and productivity.

Participative Management refers an open form of management where employees are actively involved in organization's decision making process. The concept is applied by the managers who understand the importance to human intellect and seek a strong relationship with their employees. They understand that the employees are the facilitators who deal directly with the customers and satisfy their needs. To beat the competition in market and to stay ahead of the competition, this form

of management has been adopted by many organizations. They welcome the innovative ideas, concepts and thoughts from the employees and involve them in decision making process.

Employee participation at each level of decision making process is not at all harmful if managed efficiently. The whole process can be well coordinated and controlled by the sincere and honest efforts of human resource managers. Employee participation in decision-making process although is beneficial. However, there may be some limits on it to ensure that they do not take advantage of their liberty and right of participation. There are several ways through which employees can participate in the whole process.

Participative management thus results in overall increase of the ownership of work of an employee. This empowerment can lead to increased efficiency, better productivity, improved morale and job satisfaction. But the fact the participative management requires an overall change in the organizational culture. Participative management may be a solution for each and every type of organization.

This study entitled as "EMPLOYEE PARTICIPATION IN MANAGEMENT IN LARSEN & TOUBRO LIMITED AT CHENNAI" by this study the researcher may able to know about the employee participation in management of the company. The researcher can also give suggestion to improve the employee participation in organization decision making process.

SCOPE OF THE STUDY

The scope of Employee involvement in managerial decision-making may extend to social, economic and personnel decision making depending upon the requirements of the organization. This study helps to know about the employee participation in management at Larsen and Toubro limited.

NEED OF THE STUDY

Employee participation in management is certainly depends on the organization, its nature, functions and processes. Employee participation at every stage of decision-making and employee involvement is not possible still regular exchange of information, ideas, consultations, thoughts, decisions and negotiations between employer and the employees definitely is a boon to the organization. The importance of employee participation is the process of decision making and employee involvement and make a greater productivity in the organization.

OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVE

To study about the employee participation in management in L & T at Chennai.

SECONDARY OBJECTIVES

- 1.To measure the employee participation in L&T limited.
- 2.To analyse the Employee satisfaction and commitment level towards management.
- 3.To study the employee communication in L & T.

SAMPLING METHOD

The type of sampling method adopted for this study is probability sampling and the technique used to select the sample is simple random sampling.

SAMPLE SIZE

The sample size of the study is 84 employees in L & T limited.

SOURCES OF DATA COLLECTION

The required information has been collected through both Primary and Secondary data.

PRIMARY DATA

The investigator collected the primary data through Questionnaire.

SECONDARY DATA

The investigator collected the secondary data through books, Journals and Internet.

TOOLS USED FOR ANALYSIS

The tools used for this study are Percentage Analysis, Weighted average method, Chi- square Test, Cross Tabulation

Percentage Analysis

$$\text{Percentage} = \frac{\text{No. of Respondents}}{\text{Total No. of respondents}} \times 100$$

Weighted average method

$$\text{WAM} = \frac{\sum W_i X_i}{N}$$

Where,

X_i = represents the variable values

W_i = represents the weights attached to the variable values

Chi-square Test

$$\chi^2 = \sum \frac{(O-E)^2}{E}$$

Where

O = Observed frequencies

E = Expected frequencies

The computed value of χ^2 is compared with the table value of χ^2 for given degrees of freedom at a certain specified level of significance.

Degree of freedom = $(r-1)(c-1)$

Where

r = Number of rows

c = Number of columns

Cross Tabulation

It is a statistical technique that establishes an interdependent relationship between two tables

of values, but does not identify a casual relationship between the values. It is also called two – way tabulation.

LIMITATIONS OF STUDY

- ★ The respondents may be biased.
- ★ The findings of the research depend largely on the genuine of the data provided by the workers.
- ★ The conclusion of the study is purely based on sample opinion of the respondent.

ANALYSIS AND INTERPRETATION

EMPLOYEE COMMITMENT LEVEL

Factor	SA	A	N	DS	SDA	WA
attend all the festivals and programmes of the organization.	6	46	28	4	-	3.64
I would recommend others to work for this company.	10	30	40	4	-	3.54
Even if had the opportunity to get a similar job with another organization , I would stay with my present company.	10	30	40	6	-	3.50
I am proud to say that I work for L & T.	30	40	12	2	-	4.21
I am comfortable in sharing my opinions at work.	10	44	24	6	-	3.69

Source: Primary Data

SA- strongly agree, A- agree, N- Neutral, DA-Disagree, SAD - Strongly disagree, WA- Weighted Average

The above factors like that active participation in the festivals and programmes of the organization (3.64), recommendation of others to work for this company (3.54), Retention (3.50), They will work for L & T(4.21), Comfortable in sharing their opinions at work (3.69) are agreed by the employees.

EMPLOYEE SATISFACTION LEVEL

Factors	HS	S	N	DS	HDS	WA
Mission of the company	8	52	24	-	-	3.80
Working Hours	-	36	36	8	4	3.24
Rest time	2	38	28	14	2	3.28
Remuneration	-	24	40	16	4	3.00
Loan facilities	2	18	38	20	6	2.88

Leave facilities	4	24	38	18	-	3.16
Welfare facilities	2	46	28	4	4	3.45
Career development	6	50	16	8	4	3.54
Training	2	48	20	10	4	3.40
Job security	16	32	30	4	2	3.66
Recreational facilities	6	42	32	4	-	3.59
Grievance handling	-	38	36	10	-	3.30
Promotional Techniques	2	38	32	10	2	3.30

Source: Primary data

HS- Highly Satisfied, S- Satisfied, N- Neutral, DS- Dissatisfied, HDS- Highly Dissatisfied, WA- Weighted Average.

The factors like Mission of the company (3.80), Career Development (3.54), Job security (3.66), Recreational facilities (3.59) are satisfied by the employees. The factors like Working Hours (3.24), Rest Time (3.28), Remuneration (3.00), Leave facility (3.16), Welfare facilities (3.45), Training (3.40), Grievance handling (3.30) and Promotional Techniques (3.30) are Neither satisfied nor dissatisfied by the employees. The factor Loan facility (2.88) is dissatisfied by the employees.

EMPLOYEE COMMUNICATION LEVEL

Factors	SA	A	N	DA	SDA	WA
The top management provides an opportunity for the employees to participate in the decision making process.	-	24	38	18	4	2.97
Employee can communicate with their superior regularly.	8	50	26	-	-	3.78
Periodical feed back to improve their work.	-	30	38	14	2	3.59
Problems are solved quickly.	4	12	60	4	4	3.09
Departmental communication is good.	10	54	12	6	2	3.76

Source: Primary Data

SA- strongly agree, A- agree, N- Neutral DA-Disagree, SAD - Strongly disagree, WA- Weighted Average

The factors like Employee can communicate with their superior regularly (3.78), periodical feed back to improve their work (3.59), Departmental communication is good (3.76) are agreed by the employees. The factor like problems are solved quickly (3.09) and The top management provides an opportunity for the employees to participate in the decision making process (2.97) are neither agree nor disagreed by the employees.

GENERAL FINDINGS

- ✦ 48% of the employees are 20-30 years age group
- ✦ 64% of the employees are male group
- ✦ 45% of the employees have completed Degree
- ✦ 57% of the employees are married
- ✦ 33% of the employees are 0-3Yrs experience
- ✦ 36% of the employees income level is Rs. 20000-30000 per month
- ✦ 55% of the employees are using public Transport

OTHER FINDINGS

EMPLOYEE PARTICIPATION

Stimulating factors of employees to come to the office daily

- ✦ The cross tabulation reveals that most of the respondents relating to the age group 20-30 years (80%) mentioned employee agreement as the main reason for the employees to come to the office daily.
- ✦ The respondents relating to the age group of 30-40 years (46.67%) mentioned salary as the main reason for employees to come to the office daily.
- ✦ Factors help to the employees participate his/her job:
- ✦ The cross tabulation reveals that most of the respondents relating to the educational qualification of Diploma, Degree and Professional (54.55) (52.63) and (45.83) respectively mentioned regular attendance as the main reason for the employees to highly participate his/her job.
- ✦ The respondents relating to the relating to the educational qualification Degree (23.68) mentioned standard output as the main reason for the employees to highly participate his/her job.

EMPLOYEE COMMITMENT LEVEL

The weighted average value reveals that active participation in the festivals and programmes of the organization (3.64), recommendation of others to work for this company (3.54), Retention (3.50), They will work for L & T (4.21), Comfortable in sharing their opinions at work (3.69) are the main reasons for employee commitment.

EMPLOYEE SATISFACTION LEVEL

- ✦ The weighted average value reveals that Mission of the company (3.80), Career Development (3.54), Job security (3.66), Recreational facilities (3.59) are satisfied.
- ✦ Working Hours (3.24), Rest Time (3.28), Remuneration (3.00), Leave facility (3.16), Welfare facilities (3.45), Training (3.40), Grievance handling (3.30) and Promotional Techniques (3.30) are neither satisfied nor dissatisfied.
- ✦ Loan facility (2.88) is dissatisfied.

EMPLOYEE COMMUNICATION LEVEL

- ★ The weighted average value reveals that Employee can communicate with their superior regularly (3.78), periodical feed back to improve their work (3.59), Departmental communication is good (3.76) are agreed by the employees.
- ★ Problems are solved quickly (3.09) and The top management provides an opportunity for the employees to participate in the decision making process (2.97) are neither agree nor disagreed by the employees.

SUGGESTION

- ★ The Organization may conduct regular meeting to know the opinion of their employees. They may encourage experienced employees to give their valuable suggestion in order to improve the decision making.
- ★ Except loan facilities, all the other facilities are satisfied by the employees. So, the organization can take steps to create awareness about the loan facility and also the organization may reduce the time period for providing loan facility.
- ★ "Employee agreement" is the main reason for the regular attendance of employees. So, the organization can take steps to improve their interest of the work in the job.
- ★ Employee relationship in Larsen and Toubro Limited is satisfactory. So, the organization can maintain the same environment among their employees.

CONCLUSION

Employee participation in management has assumed great importance these days because it reduces industrial unrest and helps in dispelling employees' misunderstandings about the outlook of management in industry. The organization is giving utmost importance to the Employee participation in management. The organization has been seen to practice sound participative mechanism. There exists a healthy sign of team spirit and co-operation among the employees in the organization. The employees seem to understand and co-operate with each other in the organization. Employee participation in management may reduce alienation or increase personal fulfilment of workers. It also influences efficiency in various direct and indirect ways. Careful measurement and calculation are required to assess the net effect of participation upon efficiency and economic factor.

The employee participation in management in L & T is satisfied in all the areas, the management have maintain the relationship, communication, satisfaction level and employee commitment level in organization. The organization has increased employee participation in decision making process so; employees gained additional powers without any reduction in management powers and also gained the organization. The organization conducting frequent meeting, seminars and conferences to the employees to share authority and leadership for making contribution to the corporate objective.

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