

A STUDY ON EFFECT OF DEMOGRAPHIC PROFILES OF EMPLOYEES ON PERCEIVED EMPLOYEE RELATIONS CLIMATE

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Abstract

Employee relations are concerned with the relationship existing between the employees and the management for the smooth functioning of the organizations in terms of maximum satisfaction of the psychological, social and economic needs of the employees working in the organizations. The attitude of the management and the employees would determine the employee relations existing in the organizations. Employee relation climate is well induced by the working conditions and the culture of the organizations. Different demographics of the employees would effect the employee relations of the organization and it is important for the organizations to meet the demographic needs in order to have organizational development. The present study examined the effect of demographics of employees in public and private sector organizations in India. The study is based on the data collected by survey method by providing the employees with a questionnaire. The reliability of the questionnaire was tested by Cronbach's Alpha. This study is a comparison of the demographic variables in select public and private organizations. The results show that, there were significant differences in the demographic profiles of the employees in the public and private sector organizations. Understanding the demographics of the employees would increase the profitability of the organizations. A restricted sample i.e. Bank employees and restricted area i.e. select places are the limitations of this study. The specific findings and their implications are discussed in the study.

Key words: Employee Relations, Demographics, Organization Culture.

Introduction

Employee Relations are the most delicate and complex relationships existing in the organizations today because of the modern industrial society and growing prosperity. Employees come in to the organization with different socio-cultural demographics like age, marital status, education, experience, sophistication and greater mobility. The interactions of the employees at different work locations create social awareness and social; network among the employees which would form an informal organization and would effect tremendously the behavioral pattern of the employees. The needs of the management and employees are needed to be understood for Employee Relations. Interpersonal relationships would foster for the realization of good Employee Relations in the organizations which gives a better quality of work life. An organization success lies in its efficient human resources and proper care must be taken to retain them. So the knowledge of different demographics would definitely improve the quality of Employee Relations in any organization.

Research Methodology

The present paper is a quantitative research method to examine the effect of Employee Relations Climate on workplace in the Indian banking sector. A convenient sampling method is used with a valid questionnaire. A quantitative research design is used for the present study to obtain the required data, which can be generalized to the entire Banking population.

In this present study, the participants were the Bank employees consisting of 320 employees from two commercial banks to whom the questionnaire is being distributed to study the demographic variables.

Results and Discussion

The present study aimed at identifying the effect of demographic profiles of employees on Employee Relations Climate in the Banking sector in India. To answer this aim, Mann-Whitney U test and Chi-square test of independence were used for continuous and categorical variables respectively. Age was the continuous demographic variable in the study, and it was found to be non-normally distributed with significant Shapiro-Wilk’s Statistic (0.872, $P < 0.0001$). As Age was found to be non-normally distributed, a non-parametric test, Mann-Whitney U test is used to determine the effect. Table 1 and Table 2 show the results of the effect of demographic profiles of employees on Employee Relations Climate.

Table 1: Age distribution in the Sample

Variables	Mean± S.D	Mann- Whitney U
Age	33.76±8.28	5210.00***

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

The above table shows that, the mean **Age** of employees working in the Banking sector. In the present study, we find that, the organizations have more significantly more percentage of employees in the older age group. The mean age group of the employees is **(33.76±8.28)**. Age of the employees plays a vital role and is significantly effecting the Employee Relations Climate of the organization (**Mann- Whitney U 5210.00*****). The Age is associated with reduced performance (Nicolas, 2019; Singh & Vaishya, 2021) and increased economic burdens for the government in these organizations (Pilichowski, Arnould & Turkisch, 2007) in yielding returns and being an economic burden for the country, it is interesting to note that organizations with older age groups employees might be a factor for underperformance of the organizations. This finding has implications for policy making and designing and developing organizational practices to best utilize the skill of older employees and facilitate effective functioning of the organization.

Table 2: Socio-Demographic characteristics distribution in the Sample

Variables		Frequency (n=320)	Percentage	Chi-Square Value
Gender	Male	237	74	3.66
	Female	83	26	

Marital Status	Single	110	34	46.601***
	Married	210	66	
Qualification	Postgraduate	120	37	18.62**
	Graduate	194	61	
	Intermediate	6	2	
Designation	Associate	169	53	19.40***
	DBM	87	27	
	Manager	64	20	
Previous Experience	Nil	108	34	21.44**
	< 1 Year	78	24	
	1-3 Years	74	23	
	4-6 Years	28	9	
	7-10 Years	18	6	
Current Experience	>=11 Years	14	4	64.10***
	< 1 Year	45	14	
	1-3 Years	93	29	
	4-6 Years	67	21	
	7-10 Years	59	18	
	>= 11 Years	56	18	

Note: * p<0.05, **p<0.01, ***p<0.001

Table 2 shows the **Gender** distribution in the study sample. In the present study, the sample consists of predominantly Males (74%) and Females (26%). Gender distribution is found to be unequal in the sample of study and Gender has no significant effect on the Employee Relations Climate in the study organizations (Chi-Square=3.66). These are not in line with the findings reported globally (Shi, Kay & Somani, 2019), where representation of female employees is higher in the organizations which is equal or higher compared to male employees (OCED, 2019).

Table 2 shows the **Marital Status** distribution in the study sample. In the present study, the sample consists of predominantly Married employees (66%) and employees who are Single (34%). Marital status of the employees has significant effect on the Employee Relations Climate in the study organizations (Chi-Square=46.601***). It impacts the work-life balance of the employees because companies treat all the employees equally and do not introduce

programmes that promote for the well-being of the married employees and hence the employee relations climate of the organization is effected (Georgeta Panisoara and Mihaela Serban,2013). A study found that service sector employees experience more work stress and less marital happiness (Priyadarshini Srinivasan).

Table 2 shows the **Qualification** distribution in the study sample. In the present study, the sample consists of predominantly Graduates when compared to Post-Graduates and Intermediate. Qualification has significant effect on the Employee Relations Climate in the study organizations (Chi-Square=18.62**). Education levels of the employees would effect the employee performance and the organizational performance (Dr. Janes O. Samwel,2018). Qualification would effect the productivity and job satisfaction of the employees in the organization due to their level of performance (Silvia and Frantisek, 2016).

Table 2 shows the **Designation** distribution in the study sample. In the present study, the sample examines that there are more number of Associates or Officers and Deputy Managers than Managers in the study organizations (Chi-Square=19.40***). Designation has its effect on the performance, commitment, job satisfaction and responsibility of the employees in the organization (Dhani, Navita, Rajat, 2017). Level of position also effects the productivity of the employees and there by of the organization (Aremu Bolarinwa, 2016).

Table 2 shows the **Previous work experience** distribution in the study sample. In the present study, the sample explains that most percentage of the employees do leave the organizations with in first three years of their early service to join in other organizations (Chi-Square=21.44**). In is an observation these days that people shift from organization to organization in pursuit of position or job enrichment. Individuals change organizations for job satisfaction and individual growth (Dumisani and Chux, 2014). Interpersonal trust , effectiveness and performance are seemed to be the causes for the employees to change the organizations (H Bulinska, 2021).

Table 2 shows the **Current work experience** distribution in the study sample. In the present study, the sample examines that more percentage of current work experience are in one to three years of experience. This indicates that either they are freshly recruited in this organizations or might have come from other organizations after gaining some experience (Chi-Square=64.10***). Most of the employers treat that employees experience would be a priority to them , that means employers want to retain their employees and if employees remain in the same organization , they will be gaining experience and will be valued by their organization (Employee Experience Survey, Willis Towers Watson,2021). Experience of the employees would lead to good work place culture and drive employee performance which is the indicator for good employee relations (gallup.com).

Summary & Conclusion:

The results of the present study show significant demographical difference existing in the study organizations. The effect of the demographics is clearly observed on the employee relations climate of the organizations. Because of the

diverse nature of the organizations and the increasing potential of the markets, organizations need the human resources that are challenging and potential to compete. In the present study, age, marital status, qualification, designation, previous work experience and current work experience are seen to be significantly effecting the employee relations; while gender of the employees did not show any effect on employee relations. The performance, commitment, job satisfaction, interpersonal relations of the employees vary across the demographics and the productivity of the organization is also effected. Employees would tend to move towards the organizations with an improved culture and good employee relations.

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