

Factors Influencing Employees to Work More and Make The Rinl Turnaround: An Experimental Study, Rinl, Visakhapatnam

Dr. B.S.N.Raju

Department of Commerce and Management Studies,

Maharajah's Post-Graduate College, Phool Baugh, VIZIANAGARAM

Andhra Pradesh, Pin Code: 535 001

E-mail: bsnraju333@gmail.com

Received: April 19, 2011 Accepted: July 17, 2011 doi:10.5296/jmr.v3i2.638

Abstract

In any organization, management tries to coordinate various factors of production is such a way that each factors contribute to its maximum efficiency to achieve organizational goals. So far as factors like materials, technology are concerned, their efficiency largely depends upon the level of technology being used followed by the performance and motivation level of Human resources who handled and control these factors. Thus, to make total factors efficiency and effective, management has to improve the performance level of Human resources in the organization through motivation. The performance of the organization is determined by the level of ability employee to do certain work and level of motivational factors. Organization uses many techniques to motivate and utilize the talent. It should implement various strategies to make the employee to work hard.

Here the researcher has made an attempt to know the factors which influencing the employee to work more and make the RINL turnaround. To achieve the above objective, the researchers have selected Shop floor level employees and supervisors of 500 as a sample size for the study. A quota sampling technique has been used to collect the response. RINL has been providing very congenial environment to enhance the employees' competencies and achieve its strategic aims. As a result employee productivity is enhanced and cost of production is declined. The researcher observed that the rationales behind it are the commitment and motivational levels among the employee.

Keywords: Turnaround, Employee Motivation, Congenial Work Environment, Performance based Reward, Employee Participation, Quality Circles.



1. Introduction:

In every organization, management tries to coordinate various factors of production is such a way that each factors contribute to its maximum efficiency to achieve organizational goals. So far as factors like materials, technology are concerned, their efficiency largely depends upon the level of technology being used followed by the performance level of Human resources who handled and control these factors. Thus, to make total factors efficiency and effective, management has to improve the performance level of Human resources in the organization through motivation. The performance of the organization is determined by the level of ability employee to do certain work and level of motivational factors.

The accomplishment of this depends on how efficiently the management is capable in encouraging their subordinates. The efficiency of management, to a large extent, depends on the willingness to do the assigned tasks with attention and passion. According to the researcher, stimulus is a method of motivating people to act to accomplish the desired targets

Generally an organization uses many techniques to motivate and utilize the talent. In this context, the organization should implement various strategies to make the employee to work hard. Sometimes, a sound practice makes them work more. These are like recognition for achievement, perks and perquisites, and opportunities for promotion, job security and congenial work environment.

2. Literature Review

In a study by William James C Worthy (Note 1) (1960), it was found that motivated employees worked at close to 80-90 per cent of their ability. Rina Seraphim (Note 2) (1988) compared the productivity in Private and Public Sector Units and identified the reasons for the more productivity is latent technology, work culture, high employee morale and available of capable managers. S.P.Srivatsava (Note 3) (2004) has examined that the Employee-Management relations among the Steel plants in India and observed that many factors were influencing the relations between employees and management like economic factors, psychological factors, social factors and cultural factors. He examined the management encouragement towards employee supportive schemes.

3. Objectives

The study objectives are to reveal the factors which motivate the employee and how these motivational factors make the employee to work more and make the organization turnaround.

4. Methodology

To achieve the objectives of the study the following methodology has been adopted. The volume of the data was collected by using many research instruments. However collected data was systematically developed and analyzed. Utmost care was taken in selecting the representative sample. The sample employees are working in different departments in RINL. Shop floor level employees and supervisors of 500 have been taken as a sample size for the study.



Data has been collected through primary data. A structured questionnaire was prepared and canvassed to the shop floor level workers and supervisors in RINL. The questionnaire consists of both closed ended and open-ended questions, Rank Order scale is used to measure the responses from the workers at shop floor level and supervisors. Before collecting the relevant data, a pilot study was conducted for testing the questionnaire. Purely it is an experimental study and through a quota sampling, the questionnaire data is analyzed and interpreted.

5. Analysis

5.1 Factors motivated the Shop floor level Workers and supervisors to work more:

Motivation has come from motives which are the expression of human needs by a human being. In fact, the activities of employees in the organization are caused and behind every action there is particular motive or need. **Table 1** indicates the factors that motivate the workers and supervisors to work more in the RINL. Here the researcher used Ranking method. A scale of eleven ranks is used. For the reason chosen as first, eleven points are given, for the reason chosen as second, ten points are given and the same descending order is followed. It is observed that 'Congenial working environment' occupied first place with 3820 points and it was ranked 1st by 18.6% workers and supervisors, and ranked 11th by 2.2% workers and supervisors. It is observed that 'Making job pleasant and interesting' got second place with 3435 points and it was ranked 1st by 17.4% workers and supervisors, and ranked 11th by 13.6% workers and supervisors.



Table 1. Factors motivated the workers and supervisors to work more in the RINL

	1 st	Points	2 nd	Points	3 rd	Points	4 th	Points	5 th	Points	6 th	Points
	rank		rank		rank		rank		rank		rank	
Very pleasant and	87	957	85	850	46	414	30	240	80	560	18	108
interesting job	(17.4)	931	(17.0)	830	(9.2)	414	(6.0)	240	(16.0)	300	(3.6)	108
Opportunities to use	12	132	39	390	19	171	49	392	41	287	40	240
Skills and Abilities	(2.4)	132	(7.8)	370	(3.8)	171	(9.8)	372	(8.2)	207	(8.0)	240
Safety and Medical	7	77	6	60	32	288	37	296	29	203	31	186
facilities	(1.4)	11	(1.2)	00	(6.4)	200	(7.4)	290	(5.8)	203	(6.2)	100
Good support from	39	429	24	240	54	486	29	232	25	175	26	156
subordinates	(7.8)	429	(4.8)	240	(10.8)	400	(5.8)	232	(5.0)	1/3	(5.2)	150
Promotional policies	28	308	44	440	29	261	39	312	43	301	66	396
	(5.8)	300	(8.8)	440	(5.8)	201	(7.8)	312	(8.6)	301	(13.2)	370
Performance based	45	495	56	560	54	486	52	416	66	462	62	372
reward system	(9.0)	493	(11.2)	300	(10.8)	700	(10.4)	710	(13.2)	102	(12.4)	312
Informal groups	54	594	42	420	55	495	75	600	33	231	40	240
	(10.8)	374	(8.4)	420	(11.0)	473	(15.0)	000	(6.6)	231	(8.0)	240
Congenial working	93	1023	82	820	65	585	42	336	40	280	45	270
environment	(18.6)	1023	(16.4)	020	(13.0)	363	(8.4)		(8.0)	200	(9.0)	
Good recognition to the	74	814	49	490	39	351	60	480	66	462	62	372
work done	(14.8)	014	(9.8)	470	(7.8)	331	(12.0)	400	(13.2)	402	(12.4)	372
Pride in working in a	39	429	29	290	42	378	33	264	41	287	21	126
very big PSU	(7.8)	442	(5.8)	270	(8.4)	310	(6.6)	204	(8.2)	207	(4.2)	120
Employee	22		44		65		54		36		89	
Administrative	(4.4)	242	(8.8)	440	(13.0)	585	(10.8)	432	(7.2)	252	(17.8)	534
Participation	(4.4)		(0.0)		(13.0)		(10.0)		(7.2)		(17.0)	
Total	500		500		500		500		500		500	

Note: A scale of eleven ranks is used. For the reason chosen as first, eleven points are given, for the reason chosen as second, ten points are given and the same descending order is followed. Figires in parenthesis are percentages to total.

(Table continued in the next page)



Table 1(cont.). Factors motivated the Shop floor level Workers and supervisors to work more in the RINL

	7 th rank	Points	8 th rank	Points	9 th rank	Points	10 th rank	Points	11 th rank	Points	Total weightage points	Rank
Very pleasant and interesting job	10 (2.0)	50	7 (1.4)	28	32 (6.4)	96	37 (7.4)	64	68 (13.6)	68	3435	2
Opportunities to use Skills and Abilities	55 (11.0)	275	46 (9.2)	184	44 (8.8)	132	65 (13.0)	130	90 (18.0)	90	2423	10
Safety and Medical facilities	63 (12.6)	315	44 (8.8)	176	76 (15.2)	228	84 (16.8)	168	91 (18.2)	91	2088	11
Good support from all	56 (11.2)	280	82 (16.4)	328	51 (10.2)	153	51 (10.2)	102	63 (12.6)	63	2644	8
Promotional policies	35 (7.0)	175	36 (7.2)	144	89 (17.8)	267	45 (9.0)	90	46 (9.2)	46	2740	7
Performance based reward system	85 (17.0)	425	22 (4.4)	88	25 (5.0)	75	12 (2.4)	24	21 (4.2)	21	3424	3
Informal groups	47 (9.4)	235	74 (14.8)	296	25 (5.0)	75	39 (7.8)	78	16 (3.2)	16	3280	5
Congenial working environment	53 (10.6)	265	35 (7.0)	140	22 (4.4)	66	12 (2.4)	24	11 (2.2)	11	3820	1
Good recognition to the work done	20 (4.0)	100	39 (7.8)	156	37 (7.4)	111	29 (5.8)	58	25 (5.0)	25	3419	4
Pride in working in a very big PSU	45 (9.0)	225	56 (11.2)	224	64 (12.8)	192	75 (15.0)	150	55 (11.0)	55	2620	9
Employee Administrative Participation	31 (6.2)	155	59 (11.8)	236	35 (7.0)	105	51 (10.2)	102	14 (2.8)	14	3097	6
Total	500		500		500		500		500			

Note: A scale of eleven ranks is used. For the reason chosen as first, eleven points are given, for the reason chosen as second, ten points are given and the same descending order is followed. Figures in parenthesis are percentages to total.

It is identified that 'Performance based reward system' was given third place with 3424 points and it was ranked 1st by 9% workers and supervisors, and ranked 11th by 4.2% workers and supervisors. It is to be noted that the 'good recognition to the work done' took fourth place with 3419 points and it was ranked 1st by 14.8% workers and supervisors, and ranked 11th by 5% workers and supervisors. 'Informal groups' occupied fifth place with 3280 points and it was ranked 1st by 10.8% workers and supervisors, and ranked 11th by 3.2% workers and supervisors. It is found that 'Employee Administrative Participation' was given sixth place with 3097 points and it was ranked 1st by 4.4% workers and supervisors, and ranked 11th by 2.8% workers and supervisors.

It is observed that 'promotion policies' occupied seventh place with 2740 points and it was ranked 1st by 5.6% workers and supervisors and ranked 11th by 9.2% workers and supervisors. It is found that 'good support from all' got eight place with 2644 points and it was ranked 1st by 7.8% workers and supervisors and ranked 11th by 12.6% workers and supervisors. It is identified that 'pride in working in a very big PSU' was given ninth place with 2620 points



and it was ranked 1^{st} by 7.8% workers and supervisors and ranked 11^{th} by 11% workers and supervisors.

It is to be noted that the 'Opportunities to use Skills and Abilities' took tenth place with 2423 points and it was ranked 1st by 2.4% workers and supervisors and ranked 11th by 18% workers and supervisors. At the end the option 'Safety and Medical facilities' was given eleventh place with 2088 points and it was ranked 1st by 5.2% workers and supervisors and ranked 11th by 18.2% workers and supervisors.

It is identified that the employees are working at close to 90 percent of their ability. It may be said that absenteeism of employees in the RINL is low. Moreover, this also shows the reputation of the RINL.Institutional incentives also create conducive and congenial atmosphere in the organization.

5.2. Perception of Shop floor level Workers and Supervisors on Reasons for turnaround of RINL:

The remarkable performance on production front coupled with prudent financial management has not only resulted in achieving significant net profits but also helped the RINL emerge as a net positive company by wiping out all its accumulated losses. The RINL has received a merit certificate for its excellence in the achievement of MOU targets. It received MOU award from Dr. Man Mohan Singh, the Honorable Prime Minister of India.

Here the researcher used Ranking method. A scale of six ranks is used. For the reason chosen as first, six points are given, for the reason chosen as second, five points are given and the same descending order is followed. In the present study the researcher has identified various reasons for turnaround of the RINL. If we observe the **Table 2**, it is extorted that in the case of the RINL turnaround 'Positive employee attitude towards work' occupied first place with 1903 points and it was ranked 1st by 23.8% workers and supervisors, ranked 2nd by 20.2% workers and supervisors, ranked 3rd by 18.4% workers and supervisors, ranked 4th by 15% workers and supervisors, ranked 5th by 8.4% workers and supervisors and ranked 6th by 14.2% workers and supervisors. It is identified that the reason for turnaround in the RINL 'Employee-Centered policies' got second place with 1865 points and it was ranked 1st by 19.2% workers and supervisors, ranked 2nd by 16.2% workers and supervisors, ranked 3rd by 20.4% workers and supervisors, ranked 4th by 15.6% workers and supervisors, ranked 5th by 17.8% workers and supervisors and ranked 6th by 10.8% workers and supervisors.



Table 2. Perception of Shop floor level Workers and Supervisors on Reasons for turnaround of RINL

	1 st	Points	2 nd	Points	3 rd	Points	4 th	Points	5 th	Points	6 th	Points	Total	Rank
	rank		rank		rank		rank		rank		rank		weightage	
Professionalism in Management	94 (19.8)	564	92 (19.4)	460	66 (13.2)	264	86 (17.2)	258	94 (18.8)	184	68 (13.6)	68	points 1798	4
Employee-Centered policies	96 (19.2)	576	81 (16.2)	405	102 (20.4)	408	78 (15.8)	234	89 (17.8)	188	54 (10.8)	54	1865	2
Positive employee attitude towards work	119 (23.8)	714	101 (20.2)	505	92 (18.4)	368	75 (15.0)	225	42 (8.4)	84	71 (14.2)	71	1903	1
Reduction in Duties	26 (5.2)	156	64 (12.8)	320	79 (15.8)	316	121 (24.2)	363	103 (20.6)	206	107 (21.4)	107	1468	6
Global Competition in Steel Industry	121 (24.2)	726	99 (19.8)	495	69 (13.8)	276	18 (3.6)	54	81 (16.2)	162	112 (22.4)	112	1825	3
Rise in domestic and international demand for steel	44 (8.8)	264	63 (12.6)	315	92 (18.4)	368	122 (24.4)	366	91 (18.2)	182	88 (17.6)	88	1583	5
Total	500		500		500		500		500		500			

Note: A scale of six ranks is used. For the reason chosen as first six points are given for the reason chosen as second five points are given and the same descending order is followed. Figures in parenthesis are percentages to total.

'Global Competition in Steel Industry' stood at third place with 1825 points and it was ranked 1st by 24.2% workers and supervisors, ranked 2nd by 19.8% workers and supervisors, ranked 3rd by 13.8% workers and supervisors, ranked 4th by 3.6% workers and supervisors, ranked 5th by 16.2% workers and supervisors and ranked 6th by 22.4% workers and supervisors.

It is observed that in the case of option of turnaround in the RINL 'Professionalism in Management' was given fourth place with 1798 points and it was ranked 1st by 18.8% workers and supervisors, ranked 2nd by 18.4% workers and supervisors, ranked 3rd by 13.2% workers and supervisors, ranked 4th by 17.2% workers and supervisors, ranked 5th by 18.8% workers and supervisors and ranked 6th by 13.6% workers and supervisors.

It is observed that the reasons for turnaround in the RINL as 'Rise in domestic and international demand for steel' got fifth place with 1583 points and it was ranked 1st by 8.8% workers and supervisors, ranked 2nd by 12.6% workers and supervisors, ranked 3rd by 18.4% workers and supervisors ranked 4th by 24.4% workers and supervisors, ranked 5th by 18.2% workers and supervisors and ranked 6th by 17.6% workers and supervisors. Finally it is observed that among the reasons for turnaround in the RINL 'Reduction in Duties' secured sixth place with 1468 points and it was ranked 1st by 5.2% workers and supervisors, ranked 2nd by 12.8% workers and supervisors, ranked 3rd by 15.8% workers and supervisors, ranked 4th by 24.4% workers and supervisors ranked 5th by 20.6% workers and supervisors and ranked 6th by 21.4% workers and supervisors.



In fact, the RINL has taken up a number of measures to turnaround. It has provided several incentives to the work-force so that they work hard to enhance the productivity. Thus, the organization has developed productive work culture, emotional binding with the organization, Quality Circles, missionary zeal and recreational facilities to work more and as a result there is drastic improvement in the productivity. At the same time the firm sales and profitability are also increased.

6. Conclusion

Here the researcher has identified that no single factor is the cause for the turnaround of RINL. A number of factors influenced them in boosting the turnover and the growth of RINL. Almost every worker, supervisor, and management played a key role in the turnaround of the RINL and to make it a world class integrated steel plant.

References

Ashok Mittal. (2009). Steel: Signs of Revival, Chartered Financial Analyst: The Analysist, ICFAI University Press, November, 2009.

B P Gavaghan. (1998). Revolutionary Leadership. Optimizing People and Markets.. *Iron and Steel Maker*, vol 28, no 5, May 1998, pp 75-76.

Beach, D.S. (1977). Personnel: The Management of People at Work.

Breckenridge. (2008). The Plain Dealer: Productivity in a Indian Paradise, The Analysist, ICFAI University Press, Kolkota.

Competitiveness of global steel industry, (2008). The Wall Street Journal, October, 25.

D'Costa, Anthony. (1999). *The Global Restructuring of the Steel Industry*, Routledge, London and New York.

Edward E.Lawyer III. (2000). *Rewarding Excellence pay for Strategies for the New Economy,* Jossey-BassInc, California, Dec,2000.

H Wiesingh. (2000). At the Frontiers of Technology. *Iron and Steel Maker*, vol 27, no 1, January 2000, pp 47-48.

Kaplan, Robert S and Norton, David P. (2000). Having Trouble with your Strategy Then map it, *Harvard Business Review*, 78(5), September-October, 167-176.

Kumar Satyaki and Ranjit Goswami. (2008). Case Studies on Global Steel Industry: Getting Bigger and Better, ICFAI Business School research Centre, Kolkota, 2008.

M E Porter. (1980). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. The Free Press, New York, 1980, pp 129-130.

National Council of Applied Economic Research (NCAER). (2008). *Competitiveness of Indian Steel Industry*, New Delhi.

P N Khandelwalla. (2005). *Innovative Corporate Turnaround*. Sage Publication, New Delhi.



R.C.Sexana. (2005). Labour Problems in steel industry, K.Nath & Co, Meerut.

Rosen, Benson & Thomas H. Jerdel. (2005). Organization Policies for the New Century, *Human Resource Management*, Fall.

S G Dastidar. (2001). Reforms and Restructuring in Global Steel. *Iron and Steel Review*, December 2001, pp 13-15.

Shank, John K and Govindarajan, Vijay. (1992). Strategic Cost Management and the value chain, *Journal of Cost Management*, Winter, 5-21.

Turnaround and Transformation: Path to Global Competitiveness. (1999). *Steel Authority of India Limited*, September 1, 1999, pp 11-13.

Notes

Note 1. William James C Worthy, "Factors influencing Employee Morale", Harvard Business Review, 28 (1), Jan, 1960, pp. 61-73.

Note 2. Miss. Rina Seraphim, Productivity in iron and steel industry in India: A Management Perspective, Faculty of economics, Patna University, Patna, 1988,p-62.

Note 3. Mr. S.P.Srivatsava, Labour –Management relations in steel plants in India, Lucknow, 2004, p-223.