

# Influence of Human Relations on Organizational Performance in Automobile Industry



S.Sankar, M.Jeyakumaran

**Abstract:** *The paper attempts to understand the perception of human relations among employees and relationship between employer and employee and its impact on desirable behavior and performance over getting a job. Number of orientation programs from reputed institutions enhances the planning and execution to handle tasks in the future. The working condition encourages the workers to work more and ensure safety both at physical and mental level. The study has been conducted in an automobile industry in Chennai. It offers extensive study on the relationship between employee and employer with statistics. It uses Multi-stage sampling method to examine 400 respondents and Surveying method for data collection. In the end, the study offers a perspective that the relationship among employee is categorical on the basis of their designation. It dents the performance among employees.*

**Key words:** *Human Relations, organizational performance Automobile Industry.*

## I. INTRODUCTION

In an every organizations human relations is very important for attaining the organization goals. All organization have maintain the human relations in a perfect manner for their existence in the past human relations movement the employee or labor were considered as machine. This is very important here to notify that human relations movements are historical events in the 1900s that have affected the changed personnel management into human resource management.

## II. STATEMENT OF THE PROBLEM

Various research revealed numerous benefit of human relations such as variable influencing trust between employees and organisation through the human relations has many benefit still automobile industry face certain difficulties in implement and activating the group continuously in their concern for this purpose the researcher identified variable influencing the implementation of human relations and organizational performance and suggestions to make effectiveness of automobile industry.

## III. SCOPE OF THE STUDY

Human relation is one of the factors that influence the level of performance of organization in every industry.

This study is focused on human relations and organizational performance. The study has selected automobile industry in Chennai and made an attempt to find out the perceptions of different levels of employees namely, managers and non-managers on similar human relations factors. The ultimate increase in production is achieved through the performance of organization who is engaged in the automobile industry.

## IV. SIGNIFICANCE OF THE STUDY

In the present scenario of the automobile industry, it is important to understand the influence of human relations factors on employee work outcomes. It is proved by many researchers that the human relations factors influence the performance of organisation directly or indirectly. But in the history of human relations research nobody has taken any attempt to find out the influence of human relation factors on the performance of organisation in the automobile industry in Chennai.

## V. RESEARCH QUESTIONS

1. What are factors determining the human relations and the factors influencing the organizational performance?
2. What is the level of organizational performance of the automobile industry in Chennai?
3. What is the relationship between human relations and organizational performance of the Automobile industry in Chennai?
4. What are the recommendations can be made for industrial psychology on the basis of the findings of the research

## VI. LIMITATIONS OF THE STUDY

There are some limitations that the researcher has confined to his study area with automobile industries in Chennai SIPCOT Region. Thus the results and findings can be generalized only on automobile industry at SIPCOT in and around Chennai.

## VII. METHODOLOGY

### 8.1 Objective of the study

- To find out the relationship between the human relations and organizational performance of the Automobile industry in Chennai.
- To find out the influence of human Relations on organizational performance among the employees.

### 8.2 Hypothesis of the study

- There is no relationship between human relations and organizational performance of the automobile industry in Chennai.
- There is no influence by the human relations factor over the organizational performance.

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## 8.3 Sampling Technique and Sample Size

This is an empirical study and primary data that were collected from a sample of 400 respondents and Multi-stage sampling method is used in the analyzing process.

## 8.4 Procedure

Primary data were collected from automobile industry in Chennai, Tamil Nadu India. The respondents were lower level management who were working in regular employees in the company. The filled questionnaire were obtained back from their work spot and processed further.

## 8.5 Tools for Data Analysis

The statistical tools correlation and multiple regressions are used

## 8.6 Reliability and Validity Test

Reliability of The Scale to human relations and organizational performance of automobile industry reliability test for pilot study using cronbach's alpha

**Table: 1 Reliability statistics**

| Variable                   | Cronbach's Alpha value |
|----------------------------|------------------------|
| Human Relations            | 0.937                  |
| Organizational Performance | 0.929                  |

Reliability coefficient Alpha value for overall human relations 0.937 which shows a high reliability and consistency of the scale used in this study. Reliability coefficient Alpha value for overall organizational performance is 0.929. So the construct used for this study are well explaining the overall needed to measure and the results will be more reliable consistent and replicable.

## VIII. RESULTS AND DISCUSSION

**Table 9.1: Correlation analysis shows relationship between human relations and organizational performance**

| Variable       | Organizational performance |       |
|----------------|----------------------------|-------|
| Human relation | R                          | 0.579 |
|                | P                          | 0.000 |
|                | N                          | 400   |

Source: primary data

The Pearson correlation test was run on a sample of 400 patents to know the relationship between human relations and organizational performance of automobile industry in Chennai.

The correlation analysis found that the r value is 0.579 and the p value is 0.001, which is less than 1% level. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It is concluded there is positive relationship between human relations and organizational performance.

**Table 9.2: Showing Influence of Human Relation on Organizational Performance**

### Model Summary

| R     | R Square | Adjusted R Square | Std. Error of the Estimate | F       | Sig.  |
|-------|----------|-------------------|----------------------------|---------|-------|
| 0.756 | 0.572    | 0.570             | 0.39203                    | 209.996 | 0.000 |

## Coefficients

| Variables      | Un standardized Coefficients |            | Standardized Coefficients | t      | Sig.  |
|----------------|------------------------------|------------|---------------------------|--------|-------|
|                | B                            | Std. Error | Beta                      |        |       |
| Constant       | 0.928                        | 0.124      |                           | 7.509  | 0.000 |
| Human Relation | 0.047                        | 0.004      | 0.444                     | 10.380 | 0.000 |

Dependent Variable: Organizational Performance

The Linear regression analysis has been carried a sample of 400 and data considering organizational performance as a dependent variable and independent variables human relation. The reactions of the employees and effect of the independent variables human relation and over organizational performance have been studied by the regression analysis.

The value of  $R^2$  is 0.572 and implies that 57.2% of organizational performance influenced by the above variables viz., human relation.

Considering the significant individual regression coefficients, it is seen that the variable human relation shows that (Beta = 0.444, t = 10.380 and p = 0.000) are having effect over the organizational performance. Hence, the p values are lesser than 0.000 and the null hypotheses are rejected at 1% level of significance. From this multiple regression analysis result, it is shows that there is an influence of human relation on organizational performance towards automobile industries in Chennai.

## IX. FINDING OF THE STUDY

From this study the research found that there is significant relationship among human relations with respect to organizational performance. There is a positive relationship among variable. The analysis found that human relations variable is influence on organizational performance towards human relations. Based on the findings of this percent study some of the suggestion carry out in over all human relations the automobile industry should give more efficiency and innovative to reach organizational performance in future.

## X. RECOMMENDATIONS FOR FURTHER STUDY

Researchers recommend organizations to adapt public, private and MNC company approach in human relations concept on performance. The study also used in insurance company, financial instauration, manufacturing industry, hospitality industry etc. The study can be done as comparative.

## XI. CONCLUSION

It could be observed that the human relations should be considered more organization. The employees with high level commitment have better realization on human relations and job prospects and opportunities. Furthermore, it is desirable that principles with high human relations be applied in organization. The human relation and organizational performance in different factors related aspect of employee performance.



The management of the company should ensure effective implementation of those programs in order to enhance the quality of work life and there by organizational performance. For enhancing the intrinsic motivation of employees, among the factors of human relations, majority of the factors have significant relationship with organizational performance of automobile industry in Chennai. It is suggested to execute effective managerial policies for strengthening and maintaining the relationship between human relations and organizational performance. The top management should give support to the employees and make communication with them to create cordial relationship and best work environment. The study is a useful starting point to gain a deeper insight into human relations factors and their influence to the organizational performance.

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