CHAPTER II

Review of Literature

The chapter, entitled “Review of Literature”, refers to the studies related to factors which affect production and labour-management relations. The following paragraph give vivid and comprehensive account of review of literature pertaining to some of the important studies conducted by various researchers in India and abroad on the related subject matter.

Raynold G. Iloyd (1959), in his book entitled, ‘Labour Economic and Labour Relations’ has pointed out that accumulation of more and more mechanical equipment is a major source of productivity gains. Having given much emphasis on mechanical equipment or technology, he also hold that reasonable freedom in decision making, adequate reward for efficient performance and a cultural approval for material gains are also very important things for the improvement of productivity.

Dastur, H.P. (1960), in his treatise on, “Productivity and Industrial Medicine”, advocates that industrial medicine is an efficient and advanced tool for achieving a massive increase in productivity. The benefits of health programmes are mainly intangible like increased efficiency, improved employment relations, reduction in absenteeism and better turnover and so on.
Phoille Maksimilar’s (1964), study on “Productivity and the System of Labour Remuneration”, reveals that the level of actual earning is determined not only by the basic wages, but also by a number of allowances for hard work and difficult working conditions, as well as by moving position of wages, comprising surpluses and bonuses. Hence, incentive, bonus, and these kind of remuneration are very important for the improvement of efficiency or productivity.

Prudenskey G.A. (1964), in his study on “Labour Productivity; Concept, Factor and Growth Reserves”, contends that labour creates the product and labour is, one of the basic factor for increasing productivity. The new machinery and technology are also decisive factors in increasing labour productivity. The most important conditions for higher labour productivity as he opines are improvement of technology and in workers skills.

Faumce, W. (1968), in a study captioned, “Problems of an Industrial Society” reveals that labour management relation is another important factor of organizational integration. Conflict is like an indication of lack of integration, while cooperation among workers as well as with employer indicates the strong organisational integration.

Cohen, B. (1969) in his study “Environment, Load and Allocation of Attention”, has reported that exposure to high intensity noise leads to increased anxiety and emotional stress.
It also increases the incidence of nervous complaints nausea, headache, sexual impotency, instability, argumentativeness, all these factors are related to physical constraints, affect the working capacity of the workers negatively.

Cooper Robert (1973) in his study, 'Task Characteristic and Intrinsic Motivation', observes that four intrinsic task dimensions i.e. Physical variety, skill variety, goal structure and transformation are linked with performance, satisfaction, absenteeism and labour turnover.

Miller John and Sanford Labovitz (1973), have studied "Individual Relation to Organisational Conflicts and Change", they have concluded that physiological factors (job satisfaction, work tension) social relation factors (Social rewards, social costs and status inconsistency) and extra organisational variables (family, status, community involvement, professional loyalties) have significant role in the adjustment of employee within the organisation. Adjustment of employee leads to more interest towards better work performance and congenial relationship in the organisation.

Thompson D.E. and Richard P.B. (1973) in their study 'A Case Study of Employees Attitude and Labour Unrest', have concluded that the organisational policy, immediate supervision, pursue on job, peers relation, pay, fringe benefits, identification with the company tools and equipments etc. are linked to employees attitude and labour unrest. Effective organizational
policies, less job pressure, good relations with peer group, adequate salary fringe benefits like incentives, bonus and other allowances and the modern kind of technology and equipment’s are positively related with performance.

Hewelt Thomas T. and others (1974), have presented a study on “The Effect of Organizations Leadership Style and Number of Compatibility upon Productivity of Small Group Working on Manipulative Task”, their findings reveal that compatible groups had higher productivity than incompatible groups, collaborative groups had lower productivity than non-collaborative groups. Collaboration and co-collaboration interacted in influencing productivity positively.

Costello John M. and Lee Sanga M. (1974), have studied “Needs Fulfillment and Job Satisfaction of Professionals”, they have taken into account five needs e.g. Physiological, security, social esteem, autonomy and self-actualization. Their findings reveal that eighty percent sample of the respondents were satisfied with their physiological social security needs and greatest dissatisfaction was found with their higher order needs e.g. esteem, autonomy and self actualization.

Mallort Jose (1975), in his article entitled “Working Conditions”, covers various aspects among which some affects positively and some negatively on their working behaviour. According to him various aspect of physical working environment including, air quality, heat, noise, light, work
rhythms and music etc. are related to the individual's adjustment and working behaviour of the worker. Good air quality, minimum temperature, enough lighting system and working with rhythms and music are some of the aspects, which affect working capacity and productivity positively. In the absence of these satisfactory things, working capacity of the workers is influenced adversely and resulting low production of any organization.

Neider Peter (1975), has examined the “Relationship Between Leadership and Level of Productivity and Satisfaction”, according to his findings there was no consistent correlation between leader's behaviour and productivity. But the findings further indicated that most of the worker's expectations were fulfilled by their supervision and more responsibility and freedom of action was given them.

Denis D. Umostot (1976) and others have investigated the effects of job enrichment and goal setting on employee productivity and satisfaction in a well controlled stimulated job environment. The results have indicated that job enrichment has a substantial impact on the satisfaction but little effect on productivity. Goal setting on the other hand has a major impact on productivity and less substantial impact on satisfaction. Job enrichment has a positive effect on job satisfaction while goal setting had a positive effect on performance and productivity.
John M. Ivancevich (1976), has compared participative assigned and normating goal of setting groups. Results indicate that for at least nine months, both the participative and assigned goal setting, participants were more effective in improving performance, productivity and satisfaction. The improvement however, was generally not found after twelve-month training.

Singhal Sushila (1976) has made an analysis with regard to the “Need Gratification and Participation of Job Incentives”, according to her findings safety was the most important need. Other needs have been identified, like autonomy, self actualization, job incentives, opportunity for training and good working conditions, are very important for the satisfaction and improvement of working efficiency.

Sam Terence and Cecil (1979) have assigned one hundred and four subjects in a factorial design including two levels of goal setting, two levels of evaluation apprehension, and three types of social cues to investigate the effects of independent variables on employee productivity and job satisfaction. The results has shown that people with assigned goals, people with higher education apprehensions produced more than people with low educational apprehensions. The people, who are receiving positive social cues, produce more than those people who are receiving negative social cues.

Comming T.G. and Mollay, E.S. (1977), have studied the aspects pertaining to “Improving Productivity and Quality of
Work Life. The findings of the study reveal that autonomous work group, job restructuring, participative management, organisational wise change, organisational behaviour, modification and flexible working hours are the important factors in improving productivity and job satisfaction.

Arne, J. Kalleberg (1977) his study "Work Values and Job Rewards, A Theory of Job Satisfaction", reveals that work values and job rewards are associated with the six dimensions of work, e.g. intrinsic needs, work convenience, finance, relations with co-workers, carrier opportunities and resource adequacy. With all these dimensions of work, the work value is improved and more chances of getting job rewards.

Simmond Marcel (1977) has studied "Conditions of Labour and Health of Workers." He has done comparative study of the shift workers and regular workers. According to his findings regular workers are having less difficulties during the working hours as compared to shift workers, because shift workers are more affected by the difficulties of sleeping and digestion than regular workers.

Voydonoff Patricia (1978) has presented his findings through his study entitled, "The Relationship Between Perceived Job Characteristic and Job Satisfaction among Occupational Status Group". He has observed that intrinsic and extrinsic characteristic (e.g. self-expression, role strain, financial reward
and promotion) contribute to the overall job satisfaction, adjustment and overall improvement in productivity.

Tausky Curt (1982), his study on, ‘Productivity, Incentives and Quality of Work Life”, reveals that the nature of work, pay and job security are the primary interest of the employees. His findings further reveal that package of incentive, challenging work and profit sharing, job security have a decisive role in the motivation and in the enhancement of the quality of work life.

Obradovic Gradinir (1982), has studied the “Causes of Slow Down in Production Process; Actual Engagement in Work and the Productivity of Labour’s Social Aspect”. He has observed that the reasons of slow down production are due to technological organisational, personal or socio-psychological causes or factors.

Gavrilovich, B.N. (1983), has investigated the “Social Factors in Increasing the Quality of Production”. His findings reveal that irregular supply of working schedules, inadequate labour conditions, inferior equipment, insensitive management and various similar factors, not directly tied to employment are the reason of decreasing quality and productivity.

Mustafa, S.M. (1983), has researched on “A Study of Labour Problems in Sugar Industry of Eastern U.P.” His findings reveal that absenteeism, labour turn over and lowering productivity are found on account of inadequate job condition e.g., low wages and bonus, improper housing, inadequate
medical facilities, negligible promotional avenues or opportunity, shift duties, inadequate social and welfare provision in favour of the working labours.

Helander Jan Om (1984), has presented the essence of his findings in the paper entitled, "Industrial Gerontology”. The findings reveal that persons cannot use the full degree of their abilities because of environmental factors that cause psychological and mental "Wear and Tear". Excessive or deficient workloads can both lead to stress. Work place regulations and demands of excessive work may result in requests for early retirement. To perform work with minimum amount of stress, it is essential to achieve a certain rhythm between work and rest periods, which varies from person to person. It is suggested that work schedules, productivity requirements and pension provisions from time to time be examined and changed for the maintenance of rhythm and smoothness in work.

Spery Len (1984) has studied “Health Promotion and Medicines in the Workplace Programmes, Premises and Problems of Individual’s Psychology”. According to his findings, under wellness programmes at the work place should not only include informative education programme but include risk appraisal, like lighting, air quality, noise, office design and nutrition of food etc. Ultimately these variable affects job
satisfaction and bodily adjustment of the workers and on production.

Norsoworthy, J.R. and Zebala Craig, A. (1985), have conducted their study on "Worker’s Attitudes, Workers Behaviour and Productivity in the U.S. Automobile Industry". They have found that due to the failure of both management and labor to create a satisfactory work environment, the worker’s attitude and behaviour negatively influenced productivity growth and unit cost.

MC. Guir Jean B. and Liro Joseph, R. (1986), expressed in their findings, "Flexible Work Schedule, Work Attitude and Perception of Productivity", have expressed that greater satisfaction and productivity has been found under the flexible timings; while on the other hand less satisfaction and lower productivity has been reported under staggered fixed hours and standard scheduling.

Hagglund George, S. (1989), in his article entitled, 'Alternative Reward system: A Means to Raise Productivity". His findings reveal that various kind of reward can raise the production. According to him, gain sharing system (reward) are designed to encourage workers, union and management to work together to enhance the profitability of a company or organisation.

Starr Gerald (1989), has tried to show the link between wage and productivity in his article entitled, "Linking Wages
with Productivity". He has presented in his study that the increases in productivity in an economy more or less fixes the limits for non-inflationary wage adjustments. If the payment of more wages can be made contingent, for the workers they can make greater effort to improve their productivity.

Ghosh Subratesh (1989), in his research paper, "Industrial Productivity," advocates that productivity to a great deal depends on labour productivity, which in turn depends greatly on the motivation of the workers, better management and improved technology. The question of linking the rise in wages with productivity has assumed ever greater significance.

Gullick Elsie E., Yam Marylou and Touw. Margaret M. (1989) have studied, Work Performance by Persons with Multiple Sclerosis Conditions that Impede on Enable the Performance of Work" the performance of work is very much related to the work, human support, (corporation among workers with Management) personal attributes, towards work, health promotion of workers behaviour of employers and person's environmental adjustment etc.

Witt and Beorksen(1989) have examined the "Climate for Creative Productivity as a Predictor of Research Usefulness and Organizational Effectiveness in an R and D Neganzation", they have presented their views through their findings that a favourable climate is more useful for creative productivity than an unfavourable measure of climate in a specific work context.
Tiglao Torres Amaryllis (1990) in his Research Paper entitled, “Motivation and Productivity of Government Workers,” observes that both intrinsic and extrinsic motives have served as important motivating factors. Employees satisfaction with recognition, reward type of work, personal sense of achievement, physical setting, style of supervision, agency prestige and relationship with coworkers are positively related with productivity. Higher self rating is also associated with worker’s satisfaction. In relation to job security, responsibility of the supervisions tend to give higher performance score to employees who have expressed satisfaction with job responsibilities emanating from managerial practices. Individual’s work productivity in public sector can be enhanced by providing a favourable environment, including fair wages, good interpersonal relations in a good physical setting as well as by enhancing the nature of the work itself.

Frisch Carol J. and Dickson Alyee, H. (1990), in their paper entitled, “Work Productivity as a Function of the Percentage of Monetary Incentives to Base Pay”, have examined the effects of different percentage of incentive pay to base pay on work productivity. Among seventy five college students in an experimental laboratory settings. Findings of the study reveal that the productivity of students in laboratory was 10%, 30%, 60% 100% groups are significantly greater than that of students who were in the 0% incentive groups, however, the productivity
of students in the 10%, 30%, 60% and 100% incentives groups did not differ.

Turnage, Janet, J. (1990), in his study, "The Challenge of New Work Place Technology for Psychology", has discussed the impact of new technologies on the individual employee, on management methods and organisational structure and design. The review concludes that technological innovations will not be adopted and thus will not improve U.S. productivity unless a balance is achieved between technological development and human resource management needs.

Danial Jozef (1990), has analysed, "Socio-Psychological Studies of Operators of 8 and 12 hours Shifts in Continuous Production". He has surveyed 125 chemical workers working in shifts hours and 118 workers on 12 hours shifts. Workers on 8 hours shift have reported higher work attractiveness and more satisfaction with physical working conditions. Workers on the longer shifts have reported a stronger performance for shift work but have also reported increased fatigue on the night shift and greater proportion of health related complaints.

Shen Meng and Yan (1990), have applied the analytic hierarchy process to a model of labour intensity focusing on measurement of quantitative factors. Both quantitative factors (thermal environment, physical loading, noise, dust, harmful gases and vibration) and qualitative factors (mental loading duration, diet, dangers and professional diseases) affect labour
intensity. The evaluation system of labour efficiency is combined with the intensity system, which provides the ability to make reasonable suggestion about raising productivity.

Burke Ronald, J. (1990), in his article, “Effects of Psychological Environment and Technological Stress Among Stock Brokers; A Preliminary Investigation”, has examined the relationship of physical environment and technological based work with job satisfaction. Self reported health of 73 stockbrokers are physical work environment, air quality, video display terminal problems and equipment breakdown, these problems are considered as the cause of work stress. In general, survey has reported that workers are stressors from physical environment and technological work. It has been reported that this is the reason of less satisfaction and poorer emotional well beings.

Gowen Charls, R. and Jenning Shandra, A. (1990), have studied, “The Effects of Changes in Participation and Group Size on Gain Sharing Success, A Case Study”, which examined productivity changes for 179 direct production employees in 6 departments of a unionized manufacturing plant where gain sharing was implemented. Results suggests that employee participation in decision making is a significant factors in productivity improvement but group size does not play is critical role in successful gainsharing programmes.
Robert Donald G. (1991), in his article entitled, "I Don't Get no Respect", he has discussed that how to achieve and to maintain high productivity during the period of rapid change. It is related to employee-management relationship. His study present that treating employees by involving them in the process of decision making along with management, it would have a significant impact on productivity and important effect on self esteem and job satisfaction.

Darbin Andrew J. (1991) in his study, 'Comparison of the Job Satisfaction and Productivity of Telecommuters Versus in House Employees; A Research Note on Work in Progress' has compared job satisfaction and productivity of thirty four house employees and thirty four telecommuters performing data entering and coding. Telecommuters expressed higher satisfaction on items relating to work conditions, co-worker relationships and scheduling. Productivity has been estimated to be almost thirty percent higher for telecommuters.

Luvtzinger Joe and Blankee, Danial (1991), have studied, "The Effect of Corporate Fitness Programme on Perceived Worker's Productivity", how fitness of worker affect positively on production. Their findings suggests a strong positive relationship between membership status, exercise adherence and perception of the fitness centre as well as positive relationship between regular exercise and perception of worker's productivity. Findings further suggest the membership and
exercise adherence in an on-site fitness programme affect perception of workers productivity.

Repetti Rena L. and Cosmas; Kathryn A. (1991), have studied 'The Quality of Social Environment at Work and Job Satisfaction', their findings reveal that job satisfactions are more strongly linked to the quality of supervisor's relation than the relationship with co-workers.

Rodgers Robert and Hunter John E. (1991), in their study, 'Impact of Management by Objectives on Organisational Productivity', have examined the goal setting, participation in decision making and objective feed backs, have each been shown to increase productivity. Their results show that when management's commitment was high, the average gain in productivity was 56% while on the other hand when the management's commitment was low the average gain in productivity was only 6%.

Sperry Len (1991), In his study, "Enhancing Corporate, Mental Health, and Productivity", has reviewed corporate health/mental health, interventions and strategies for linking productivity to worker's health and well being. It is proposed that integrative and coordinated benefits and services reflect on overall corporate philosophy in which productivity is viewed as an outcome of healthy workers challenged by their responsibilities committed to their organization and who have a good fitting with their job, work group and corporate culture.
Furthermore, job workplace and organisational development as a means of increasing organisational productivity and effectiveness have been recommended. Two ways of increasing organisational productivity and effectiveness are discussed; job workplace and organisational development.

Steffy Brain D and Laker Dennis R. (1991), in their study ‘‘Workplace and Personal Stress Antecedents to Employee Alcohol Use’’. According to them, employment insecurity and recent stressful life events leads to greater alcohol intake and use of alcohol to relax and cope with work and personal tension. Excessive workload contributes to use of alcohol as a coping mechanism.

Ramanathan Chalhapuram S. (1992), in his article, ‘EAP’S Response to Personal Stress and Productivity Implications for Occupational Social Work’’, has investigated the influence of an Employee Assistance Programme (EAP) on employee stress and employee productivity. Participation in employee assistance programme services has improved productivity, but does not significantly changed stress of employees. Employee’s stress is positively related to absenteeism and negatively related to intention to stay at workplace.

Erez Miriam, (1992), in his research investigation entitled, ‘‘Interpersonal Communication System in Organisations and their Relationship to Cultural Values, Productivity and Innovations’’ has examined the patterns of communication
system in Japanese corporation in the light of antecedents (cultural values) and in relation to the consequence (productivity and innovations). This congruence has intensified the smooth flow of communication level, sharing of common values, on the cognitive level of productivity and innovations.

Wilkinson Alvin D and Wagner Robert M. (1993), in their investigation on “Supervisory Leadership Styles, State Vocational Rehabilitation’s Counselor, Job Satisfaction and Productivity” Their finding reveals that high satisfaction also had higher productivity in number of rehabilitation plans developed, number of rehabilitates, and number of severely disabled rehabilitates. Findings suggest that supervisory style that are void of support may be associated with lower satisfaction, while other direction, when coupled with support may be positively related to satisfaction.

Mehra Gita and Mishra P.C. (1993), have explored the moderate effects of participation in opinion seeking on the relationship between job satisfaction and occupational stress. Their moderate regression analysis indicates that participation in opinion seeking has a moderating effect on the relationship between job satisfaction and occupational stress.

Armstrong-Stassen, and Marjorie (1993), in their study captioned, “Production Worker Reaction to the Plant Closing; The Role of Transfer, Stress and Support”, the findings reveal that the workers who have been transferred reported greater job
security, higher performance, more trust in the company than those who remained at the plant. Transferred workers have also reported less trust in their unions. There are no significant differences between the two groups, supervisor and union. Supervisor's support is positively related to trust in the company.

Kelloway E., Kevin; Barling Julian and Shah Afsar (1993), in their paper, "Industrial Relations, Stress and Job Satisfaction Effects and Mediation", have examined the effects, of negative and positive industrial relations. Stress on mood and their impact on job satisfaction. Their study reveal that stressful industrial relations have affected mood distressful and in turn of negative job satisfaction, on the other hand congenial industrial relations have direct effect on both positive mood and job satisfaction towards the work.

Ganguli; S. Ashok, (1994), in his book, "Industry and liberalization", states that how technological changes and innovations of research and design affect the productivity. He has also mentioned that improvement can be attributed directly or indirectly to technological changes. His study reports that forty percent of productivity increases in the USA can be correlated to advance in technological innovation and spending on research and design.

Singh, B.G., Agarwal Venayshri (1994-95), have examined absenteeism among blue and white collar workers in relation of
their satisfaction with welfare facilities, salary, education and experience. The findings of their results indicate that satisfaction with welfare facilities and salary are significant in decreasing absenteeism among white collar workers, education led to increase absenteeism in both of the groups.

Sharma R.A. and Samaritra Rabinaarayan (1994), have studied 'Conflict Management in an Indian Firm", their findings evaluate the efficiency of conflict management strategies within the framework of superior-subordinate relationships. Eight strategies of conflict resolution such as avoiding argument, following rules, accommodating, consulting, smoothing, forcing, compromise, and confrontation were examined in terms of their impact on perceptual measures of organizational effectiveness i.e productivity, adaptability and flexibility. Analysis indicated that confrontation and smoothing modes were most significantly associated with effectiveness while accommodative behaviours emerged as the most ineffective method of conflict resolution. The organization under study was high on all the three selected measures of effectiveness.

Melamed, Samuel; Avi Irit; Luz Jair; Green Monfred S., (1995), in their treatise 'Objective and Subjective Work Monotony; Effects on Job Satisfaction, Psychological Distress and Absenteeism in Blue Collar Workers’’. They have indicated that subjective monotony is moderately related to the objective work conditions. Hierarchical regression analyses shows that
effects on all the outcomes are partially mediated by subjective monotony and are also directly related to repetitive work and work load. Job satisfaction and psychological distress are mainly related to subjective monotony whereas sickness is also equally related to the work condition and subjective monotony.

Shikdar Ashraf and Das Biman (1995), in their study on "A Field Study of Worker's Productivity Improvement" have reported the results of an industrial field study, which was conducted to improve workers productivity through various interventions in a respective productive systems. According to them workers participation in managerial policies has improved workers productivity. Managers should not encourage workers participation only, while monetary incentives also improves productive capacity if it has been given to workers by their employers from time to time. Even under good working conditions at the workplace, workers improve productive capacity in any industry.

Krishnamurti, V. (1995), in his article 'Towards Excellence in Productivity through HRD in Excellence through Human Resource Development' has presented that lack of formal communication system within an organisation has contributed to the gap between workers and corporate objectives. In this situation, relationship between employee and management are clouded with suspicions and distrust. This kind of relation affect the performance of work adversely productivity too.
Huselied Mark A. (1995), in his treatise, "The Impact of Human Resource Management Practice on Turnover, Productivity and Corporate Financial Performance", has evaluated the links between system of high performance work practice (HPWP) and firm performance. HPWP includes comprehensive employee recruitment and selection procedures, incentives, compensation and performance management system, and extensive employee involvement and training. Human resources professionals at 968 firms completed questionnaires on HPWP, internal and external fit turnover productivity and financial performance. Control variable included size, growth in sales, and levels of profitability. Result indicates that HPWP practices and an economically and statistically significant impact on both intermediate employee outcomes (turnover and productivity) and short and long term measures of corporate financial performance.

The analysis of the above stated studies reveal the researchers, authors, and social scientist on the basis of their findings, have analysed problems concerning labours, management and productivity from different point of views. Some of the social scientists and researchers have emphasized on environmental conditions, morale, motivation, wages, labour participation and organizational structure so on and so forth. Some other problems as pointed out by them can be broadly categorized under the categories of security safety need fulfillment, job satisfaction, absenteeism, interaction between
management and labours promotional opportunities, fringe benefits, autonomy, incentives and motivation for promotion etc. as the important factor which affect the working capacity and the performance of workers. These problems have been taken separately or have been taken by one or two variables.

In the present study an attempt has been made to investigate some of the variables together and try to present that how these variables affect the worker's working capacity and how it leads to mental strain among the workers ultimately, and inefficiency towards their work amounting to lesser productivity. In the absence of congenial working environment, inadequate wages and other fringe benefits, inadequate medical facilities, non-judicious policies often lead to the development of unpleasant relations among the co-workers, supervisors and the management which give rise to withdrawal behaviour pattern of the workers which cause absenteeism, maladjustment etc. and ultimately influences the production and relation with the management adversely.