CHAPTER 6

FINDINGS AND CONCLUSION

6.0 INTRODUCTION

The study on effectiveness of employee suggestion system in automobile industry with reference to Chennai is an attempt to find out the factors that contributing to the success of suggestion system. Based on the extensive literature review in the area of employee suggestion system, it was found that in many organizations the suggestion system was not successful and the system was not sustained for a longer period. This is because of lack of employee’s participation in the suggestion system. However, motivating employees to participate in the suggestion system is a challenging task to the managers. Hence, the researcher considers it is most relevant in studying the factors that influence employees to participate in the suggestion system and contribution towards the effectiveness of suggestion system.

In the present study, three key factors were identified which are important to the effectiveness of suggestion system, the factors are - organizational factors, individual factors and Suggestion system factors. This study has been designed to understand the influence of organizational factors and suggestion system factors on Individual factors that motivate employees to participate in the suggestion system and compare these three factors which contributes more towards the effectiveness of an employee’s suggestion system. For this purpose, a model was
developed and data was collected from 1081 sample respondents are chosen randomly from three multinational car manufacturing organisations. The collected data were analysed by using statistical tools like, Independent sample test, One-way ANOVA, Correlation and Regression analysis. The proposed research model was tested using Second-order confirmatory factor analysis and Structural Equation Modeling.

This chapter discuss the findings of the study with reference to the specific research objectives of the study and brief conclusion of the thesis.

6.1 FINDINGS

6.1.1 Profile of the respondents

- It was found that majority of the respondents are less than 25 years of age (49.8%), followed by 42.3% of the respondents are in the age group of 26 – 35 years, 2% of the respondents belong to the age group of 36-45 years, 4.4% of the respondents belong to the age group of 46 – 55 years and 1.5% of the respondents are above 55 years.

- It was observed that most of the employees have diploma qualification (60%), 35.1% of the respondents have completed I.T.I, and rest of the employees hold qualifications such as graduation (1.9%), and school education (3%).

- It was noted that 29.5 % of the respondents are earning less than Rs.10000 of monthly income, 14.9 % of the respondents are of between Rs.10000 – 20000, 22.1 % of the respondents monthly
income is between Rs.20000 – 30000 and 33.5% of the respondents monthly income is above Rs.30000.

- Regarding the working experience of the respondents, majority of the respondents (33.6%) having 5-8 years of experience, 31.8% of the respondents having less than 3 years of experience, 27.7% of the respondents having 3-5 years of experience and 6.9% of the respondents having more than 8 years of experience.

- Out of 1081 sample respondents 806 (75%) are married and 275 (25%) are unmarried.

- Maximum numbers of respondents (77.1%) are the permanent employees, 17.9% of the respondents were Apprenticeship employees and 5% were contract employees.

- Majority of the employees (90%) are working in a shift basis and 10% of the employees are working in regular working hours.

6.1.2 Employee’s perception towards suggestion system factors

The first objective of the study is to study the employee’s perception towards suggestion system. The following were the findings of the analysis:

- Employees’ perception on suggestion system between more experienced and less experienced employees are not the same. The more experienced employees are perceived significantly higher than the less experienced employees towards the method of submission and system Awareness of suggestion system dimensions.
• Perception of lower income employees towards the evaluation committee and feedback of suggestion system dimensions is significantly higher than the higher income employees.

• Highly qualified employees are perceived significantly higher than the less qualified employees towards procedure and guidelines, method of submission, system awareness, evaluation committee, evaluation process, selection & implementation, award, rejection and feedback dimensions of suggestion system.

• The employees’ perception on suggestion system dimensions such as system awareness, evaluation committee, evaluation process, selection and implementation, award, rejection and feedback are perceived differently by young adult, middle aged and matured adult employees.

• Employees from different type of employment like permanent, Apprenticeship and Contract differ in their perception towards procedure and guidelines, method of submission, system awareness, evaluation committee, evaluation process, selection & implementation, award, rejection and feedback dimensions of suggestion system.

• The following are the findings of employee perception towards the administration of suggestion system:

• The majority of the respondents (68%) stated that suggestion form is a method of submitting suggestions. Others mentioned that suggestion box (15%) and intranet (17%) are available to submit suggestions.
• 60% respondents stated that employees are allowed to submit suggestions related to all the topics such as improve quality, cost reduction, waste reduction, time saving, employee safety and work environment.

• Most of the respondents (70%) mentioned that the suggestions are invited every month by the organisations.

• 37% of the respondents stated that the suggestions are evaluated within one week, 20% of the respondents mentioned one week to two weeks, 21% respondents mentioned two weeks to three weeks and 22% of the respondents mentioned three weeks to four weeks taken by the evaluators to evaluate suggestions.

• The majority of the respondents (81%) mentioned that the best suggestions are published on bulletin board.

• 34% of the respondents are motivated by rewards, 29% of the respondents are motivated by recognition, 27% of the respondents are motivated by supervisor support and 10% of the respondents are motivated by top management support to submit suggestions.

• Most of the respondents (78%) prefer cash as a monetary reward that motivate them to offer suggestions.

• Similarly, 65% of respondents prefer recognition as non-monetary reward to submit suggestions.

6.1.3 Correlation among Individual factors

The second objective of the study is to find out the correlation among individual factors. The following were the findings:
• Self-efficacy was significantly highly correlated with Job satisfaction, Reward, proactive behavior, appreciation and recognition.

• The employee’s creative commitment was a significantly high correlation with Reward followed by creative personality, self-efficacy, job satisfaction, Proactive Behaviour, Appreciation, and Recognition.

• Creative personality is having a significantly high correlation with creative commitment followed by Self-efficacy, Reward, Appreciation, Job satisfaction, Proactive behvaiour and Recognition.

• Job satisfaction was highly correlated with self-efficacy followed by Reward, Appreciation, Recognition, creative commitment and proactive behavior.

• Employee’s proactive behavior was significant correlated with job satisfaction followed by self-efficacy, creative commitment, appreciation, recognition, creative personality and reward.

6.1.4 Assessment of organizational factors impact on individual factors

The third objective of the study is to analyse the impact of organizational factors on individual factors. The following were the findings:

• It was found that Empowerment culture is best predictor to employee’s creative commitment and creative personality of creative behavior dimensions than innovation and risk taking culture.

• Empowerment culture is significant impact on job satisfaction, self-efficacy and proactive behaviour of initiative behaviour dimensions.
Whereas, there is no impact of innovation and risk taking culture on job satisfaction, self-efficacy and proactive behaviour.

- It is observed that empowerment culture is best in motivating employees by reward, recognition and appreciation than innovation and risk-taking culture.

- It is identified from the study that freedom climate have significant impact on creative commitment of the employees than cooperative and encouragement climate. Whereas, creative personality was significantly influenced by cooperative climate. But creative personality dimension was not influenced by encouragement climate and creative climate.

- It is revealed from the regression analysis that employee are highly satisfied with their job in freedom climate, where as Cooperative climate is best to predict employees self-efficacy and proactive behaviour. But there is no impact of encouragement climate and creative climate on job satisfaction, self-efficacy and proactive behaviour dimensions of initiative behaviour.

- Organizational climate relationship with motivational factors revealed that freedom climate is best to motivate employees by reward whereas employees are motivated by recognition and appreciation in cooperative climate. But there is no impact of creative climate on reward, recognition and appreciation dimensions of motivation.

- Top management commitment was significant impact on employee’s Creative commitment and creative personality.
- Analysis of top management commitment on employee’s initiative behaviour reveals that top management commitment have significant impact on job satisfaction, self-efficacy and proactive behaviour dimensions of employee’s initiative behaviour.

- It is found from the study that top management commitment in suggestion system has high positive impact on rewards, Appreciation and Recognition of motivation dimensions. Hence, it is concluded that top management interest in implementing a suggestion system is by motivating their employees by reward, recognition and appreciation for their creative ideas and best suggestions.

- Supportive supervision is a best predictor to employee’s creative commitment whereas, facilitative supervision is best to predict creative personality of the employees. But there is less impact of supervisor openness on creative commitment and creative personality dimensions of employee’s creative behaviour.

- Relationship between supervisor’s support and initiative behaviour revealed that supportive supervision is best predictor to job satisfaction, self-efficacy and proactive behaviour than facilitative supervision. But there is no relationship between supervisor openness and job satisfaction, self-efficacy and proactive behaviour dimensions of employee’s initiative behaviour.

- It was found from the analysis that supportive supervision is the best predictor to motivate employees by reward, recognition and appreciation than facilitative supervision. But there is no relationship between supervisor openness and reward, recognition and appreciation dimensions of motivation.
6.1.5 Assessment of suggestion system factors impact on individual factors

The fourth research objective of this study is to analyze the impact of suggestion system factors on individual factors. The following were the findings of the analysis:

- Relationship between employee’s creative behaviour and suggestion submission indicates that there is a significant relationship between Procedure & guidelines of suggestion system dimensions and creative commitment and creative personality dimensions of creative behaviour. But there is no relationship between method of suggestion and suggestion system awareness and creative behaviour dimensions.

- Procedure & guidelines of suggestion system is the best predictor to employee’s self-efficacy and proactive behaviour than the method of submission and suggestion system awareness. But there is no relationship between suggestion system awareness and proactive behaviour of the employees.

- Suggestion evaluation process is the best predictor to employee’s creative commitment and creative personality dimensions of creative behaviour than suggestion evaluation committee.

- It is identified from the results that suggestion evaluation process is the best predictor to employee’s self-efficacy and proactive behaviour dimensions of initiative behaviour than suggestion evaluation committee.

- It was found from the analysis that feedback on given suggestion is highly influenced on employee’s creative commitment and creative personality than Award and suggestion selection and implementation.
But there is negative impact of Rejection of suggestion on employee’s creative commitment and creative personality.

- Selection and implementation of suggestion is highly influenced to employee’s job satisfaction than Feedback and Award given for selected suggestions. Whereas, there is a negative relationship between Rejection of suggestion and employee’s job satisfaction.

- Feedback which are given for selected suggestion is the best predictor to employee’s self-efficacy and proactive behaviour than the Award and selection of suggestion. Whereas, there is a negative relationship between rejection of suggestion and employee’s self-efficacy and proactive behaviour.
6.1.6 Compare the contribution of organizational factors, individual factors and suggestion system factors towards the effectiveness of suggestion system

The fifth research objective of the study is to compare the contribution of organizational factors, individual factors and suggestion system factors towards the effectiveness of suggestion system. The following findings were the results of structural equation modeling:

- The results of structural model indicates that all the three factors like organizational factors, individual factors and suggestion system factors were significantly contributed towards the effectiveness of suggestion system.

- Organizational and suggestion system factors have significant impact on individual factors that affects the employee’s contribution towards the effectiveness of suggestion system.

- Individual factors (r=.90) have high significant contribution towards the effectiveness of suggestion system than organisational factors (r=0.87) and suggestion system factors (r=0.85).

6.3 CONCLUSION

The term employee suggestion system is a “mantra” of many organizations, particularly in the manufacturing industry to use their employee’s ideas for improving organizational efficiency. But practically, the suggestion system was not effectively used in many organisations because of lack of employee’s interests and lack of employees participation in the suggestion system. To overcome this problem the present study has designed and developed a model to identify the
factors that make the suggestion system more effective. This study identified three key factors such as organizational factors, individual factors and suggestion system factors that are significantly contributing towards the effectiveness of suggestion system. Application of this model can pave a path for successful employee suggestion system which can improve employee’s participation in the suggestion system.