CHAPTER - I

INTRODUCTION AND DESIGN OF THE STUDY

INTRODUCTION

Organizations are made up of people and function through people. Without people organizations cannot exist. The resources of men, money, materials and machinery are collected, coordinated and utilized through people. These resources by themselves cannot fulfill the objectives of an organization. They need to be united into a team. It is through the combined efforts of people that material and monetary resources are effectively utilized for the attainment of common objectives. Without united human efforts, no organization can achieve its goals. All the activities of an organization are initiated and completed by the persons who make up the organization. Therefore, people are the most significant resource of any organization. This resource is called human resource and it is the most important factor of production. According to L. F. Urwick, “business houses are made or broken in the long run not by markets or capital, patents, or equipment but by men”. Of all the resources manpower is the only resource which does not depreciate, with the passage of time.

Human capital has long been considered an important factor in economic development. The word “resource” refers to that productive power of natural goods. Human resource is therefore the productive power. Unlike material resources, the human resources are the participants as also the beneficiaries of the process of economic development. Successful enterprise stands on sound management which
gets effective results through the people. Experts say: Management is the Art as well as science of getting things done through and with people of all agents of production, “labour” is the most important factor and the utilization of other resources largely depends on the proper utilization of time and energy on the part of the workers. Labour, at all times, has been considered a separate factor of production. Any work whether manual or mental which is undertaken for a monetary consideration is called “Labour” in Economics. The involvement and importance of the human element is being increasingly realized by those responsible for the management of industrial establishments.

The most important organizational problem is that of Personnel Administration. Some of the most important topics of research in this area may be the skills and abilities needed by management executives, the selection and training of employees in business and the effectiveness of personnel management programmes. The rate of growth in human resources is determined by variables such as population structure, migration and labour force participation. The quality of human resources on the other hand is influenced by the status of variables like education and training, health and nutrition and equality of opportunity.

All human resources are not homogeneities. Every state has enacted a number of legislation to regulate and promote the labour process. Whatever the state of labour (unskilled, semiskilled, skilled, high skilled) it is considered an asset both to person and to nation. The post-war situation brought a number of benefits to the employee, such as social security, insurance and compensation. Human Resources consist of that total skill: the creative abilities, talents and aptitude of an organizational workforce, as well as the values and attitudes and benefits of the
individuals involved in it. Human Resource is considered both the cause and the effect of the economic development. Labour is being transformed into human capital.

Among the species, human being is the finest one, who needs skills, talent, aptitude, and motivation to deliver any goods and services in time with quality. Labour is highly perishable, and needs constant training for the upgradation of information. If manpower is utilized optimally certainly the nation - state grows rapidly. Education and health are to be provided meticulously and compulsorily to all. Profit, efficiency, productivity and production are interdependent which are positive and progressive when human resources have high morale towards their organization.

**HUMAN RESOURCE MANAGEMENT**

Human resource management is a complicated area as it deals with human beings involving a variety of tasks and activities. A wide range of issues covering manpower planning, recruitment, personnel, profession, human resource accounting, training and development, human relations in the organization and the like are dealt by human resource management wing of management\(^1\).

working relationships The concept of human resource management is now-a-days used as a synonym of personnel management, when no particular connotation is implied. This concept is merely a guideless substitution for a range of other possibilities-including, ‘employee’s relations; ‘people management’ and the like. To keep the human power

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\(^1\) Mathur B. L, Masterpieces of Management Thoughts - 2, 1994, p.12.
happy and content is the most important objective of every management. In order to meet this objective, management must design and implement a set of policies, procedures, and practices. However as time passes, the set of demands and expectations of employees change making the old set of policies, procedures and practices obsolete. This is yet another challenge in personnel management. This happens because the working organizations and and expectations of employees are dynamic and hence changes. The ‘know-why’ of personnel management is to know the reasons, why the behaviour pattern of employees changes as time passes. What are the factors influencing such changes in behaviour and how much such factors affect such relations and expectations? The ‘know-how’ of personnel management is to know, how the manager should change his style of leadership, method of direction and existing organizational philosophy, policies, practices and procedures to meet the new challenges and meet the expectations of the employees without diluting the objectives of the organizations. Factors influencing working relationship can be broadly classified under the following heads:

- Environmental factors
- Organizational factors and
- Human factors

Environmental factors deal with external influences such as social, political, economic, primary group, customs, traditions values, and culture. Organizational factors are organizational culture, traditions, values, philosophy, policies, practices, procedure, career prospects, market standing, profitability, competitiveness, professionalism in management, effective communication and the like. On the part
of employees, human factors involve personality morale and motivation, which in turn, depends on meeting physiological and psychological needs satisfying his own expectations in the career achievement and job satisfaction. From organizational point of view, human factors also involve competence in knowledge and skill, interest in the job and commitment on the organizational objectives. When these three aspects viz. competence, commitment, and interest are found in an employee we call him “Empowered”. This term is of recent origin. We shall be discussing this term more in detail later in this research study. Empowerment of employees is the ultimate objective of the management to develop the organization. Empowerment is the process of developing “ordinary employees to give out extraordinary performance”. People are the “real capital” of an organization. The survival and success of an organization depends primarily on the empowerment of the employees. Human resources, in these days are therefore, called “human capital “. Development of human resources involve many steps right from locating right people, training and development motivating them by satisfying various kinds of their needs, creating involvement and interest by giving them meaningful and challenging jobs and improving commitment by inculcating a sense of belongingness. Thus we find that the scope of Personnel Management is very wide. This is the reason why this subject is now popularly known as Human Resources Management (HRM).

**IMPORTANCE OF HRM**

Management and other employees directly involved in the organization form “Human ware”. Materials, machine, money infrastructure, and organization together form “Orgoware” knowledge, skill, technology and the like are covered by
“Infoware”. Human ware becomes most important of all, because it has a dual role to play. As employees, human beings directly at as one of the resources. Human being indirectly influences the effective utilization of “Orgoware”, as being responsible for their manipulation. “Infoware” again heavily depends on human being because knowledge and skill are acquired, assimilated, improved, and applied by human beings. Thus even when maintaining a separate entity, all other resources are being influenced by this single resource, the human ware. Thus we are justified in saying that human resource is most important of all other resources. This is perhaps the reason why Mary Parker Follet defined management as the “process of getting work done through other people and this is the main reason for the success of Japanese management. Globalization and depends on the liberalization of economy have once again highlighted the importance of HRM. This is so, because the survival and success of organization “e competitive advantage of the organization. Competitive advantage is obtained and sustained though knowledge and skill of its people. Technological break-through and continuous up gradation of technology are possible through empowerment of employees. Improvement means greater level of interest in the job and strong commitment in the organization. Empowerment is the highest state of morale and motivation in an organization. This provides synergism. This, once again, focus our attention to the importance of human resources management. Acquiring, developing and maintaining a “critical mass” of competent and committed employees guarantee the survival and success of an organization. Employees are, therefore, the most important of all resources.

The textile industry is among the oldest and the largest manufacturing industries in India. It is more than a couple of centuries old and occupies a dominant
position in India’s industrial structure. The textile industry occupies a unique place in the economy of the country by virtue of its contribution to the industrial output, employment generation and foreign exchange earnings. It has been the “mother industry” of the country and it has been an engine of economic growth. By its unique place of importance, the textile industry in India is positioned to sub serve important socio-economic goals. The origin of the textile mill dates back to 1818 when the first cotton mill was established at Fort Gloster near Calcutta. The industry has come a long way and has grown phenomenally, many a time against heavy odds. The industry today has grown to become the second biggest in the world.

Textile industry has been occupying a pivotal place in the country’s economy. With over 1,700 mill units, about 40 lakh handlooms, 17 lakh power looms and thousands of garments, hosiery and processing units, the textile industry is the single largest industry in the country. The linkage of this industry reaches the common man and the national economy owes much to its contribution to the industrial production, employment generation and foreign exchange earnings. The textile sector contributes 3 per cent of the gross domestic product, 14 per cent of the total industrial production, 21 per cent work force, 27 per cent of the gross export earnings, 5 per cent of the excise revenue and 7 per cent of the gross import bill.

Besides, a large population engaged in cotton growing and ginning, manufacturing of man-made fibres, filament yarns, textile machinery, stores, spares, dyes, chemicals, trade, transport, banking, insurance and so on derives its livelihood from the indirect employment generated by the textile industry. Next to food, clothing is one of the most important items of family expenditure in India
accounting for about 10 per cent. Thus the cotton textile industry is very important from the point of view of production, employment, export and consumption.

Apart from meeting the growing clothing needs of the increasing population, the cotton textile industry is the forerunner of India’s transformation from an agrarian economy into an industrial advancement. It laid the foundation for the development of a number of allied industries and services. Indian entrepreneurship had its training ground in textile manufacture and the subsequent proliferation into manifold avenues of industrial progress and economic activity made possible by the pioneering efforts of the textile industry. The industry has carved a niche for itself in the international market also with Indian textile goods, with aesthetic qualities and durability at many a port of call.

In addition to being a source of providing one of the basic needs, the cotton textile industry plays a crucial role in the socio-economic structure of India. In the nation’s wealth creating activity, the textile industry had, and continues to have, a pivotal role. It offers more opportunity for the employment of skilled and unskilled labour.

**KNITWEAR INDUSTRY**

The word hosiery (knitwear) is probably derived from the French word Bonnet Eric “Hose”, Hosiery of knitting principles stretch back to pre-historic times. However, the cotton hosiery industry made its first appearances in India in 1893 in Calcutta and after the world war more cotton, woolen, synthetic hosiery units came into existences in Bengal, Ludhiana, Bombay, Kerala and also in Madras and also in
Madras province. But till 1924 Tirupur was not known for its knitting factories. The first banian factory in Tirupur was started in 1925. With the advent of electricity in Tirupur in 1931 more knitting and weaving factories came into existence. Initially, all the knitting machines were imported from Germany, Japan and the USA. By 1942 there were 34 hosiery factories in Tirupur.

For over 30 years, until early 1960s the hosiery industry in Tirupur was producing mainly grey and bleached banians. It was in the late 60s that the industry slowly diversified towards manufacture of other inner garments. The strength of hosiery industry in Tirupur in 1961 was 200 units. In the 70’s, export of small quantities of banians and other inner garments were made from Tirupur. Early in the 80’s export of knitwear, mainly basic T-Shirts were made in small quantities. Export of the items of knitwear gained momentum from 1985 onwards. In the late 80’s, knitwear industry diversified very quickly and took up manufacture and export of other outer garments viz. Cardigan, Jersery, Ladies blouses, Dresses and Skirts, Trousers, Nightwear, Sportswear and the like. With the commendable interest shown by the entrepreneurs and with the support from the Government in the form of higher investment limit allowed for ancillary industry undertaking including hosiery industry to avail the facilities earmarked for Small Scale Industrial units and liberalized industry policy, the hosiery industry in Tirupur transformed itself into the knitwear capital of India in less than three decades. Today the annual export earnings of Tirupur is around Rs. 3017 crores. The share of Tirupur in the annual value of knit wear exports from India is around 36 percent.

Tirupur today is a cluster of knitwear exporters with a highly fragmented and dispersed production. This structure has a significant impact on labour relations and
processes. In India, following liberalization, the development of industrial clusters is becoming a flavoured model of production organization as a strategy to boost exports and competitiveness at global level. Competitiveness in the pre-liberalization framework had been achieved through protection and generic assistance to industry groups based on size. Tirupur enjoyed protection through assistance programmes to small scale industries and the reservation of readymade garments for the small scale sector.

**STATEMENT OF THE PROBLEM**

The paradigm shift in the economic environment witnessed since the last decade has led to more attention being paid towards knowledge and its expanding dimensions as a resource in trade and commerce of the 21st century. Knowledge is being used as a new currency in business as a cutting edge to meet competition favourably and to accomplish goals more easily and conveniently. As business is becoming more global, knowledge is being added as a prefix to every economic aspect: knowledge workers, knowledge organization, knowledge management and above all, knowledge economy. Knowledge can be manipulated to convert difficulties into opportunities, uncertainties into certainties and risks into rewards. No other resource in business except human resource possesses this knowledge.

Human resources are the life of the knowledge industry. Due to the ever growing demand for manpower, the Human Resource Department in any organizations faces never ending pressure to attract, retain the motivate the best in the industry. Satisfied employees are true “Brand ambassadors” of an organization which shapes its image among the potential employees in the job industry.
Employee development and retention plays a pivotal role in the growth of an organization. Human resources are affected by sentiments and encouraged through motivation, and they can direct and manipulate all physical and tangible assets to help achieve the objectives of an organization.

Every organization irrespective of its nature is made up of people. Utilizing employee services, developing their skills, motivating them to reach higher levels of performances and ensuring that they continue to maintain their commitment towards the organization are essential in attaining organizational objectives. Organizations which are able to acquire, develop, stimulate and retain outstanding employees are effective and efficient. Human resource thus plays a vital role in the success or failure of an organization. In today’s competitive business environment quality and productivity are the two important factors for the survival and growth of any organization. Satisfied employees can facilitate these two factors and thereby help the organization to compete in the market.

Increasing productivity is the ultimate aim of every industrial organization, for which the provision of labour welfare is the most important path. Labour welfare implies providing good working conditions. The job performance of employees is based on the appropriate working condition. Enquiries were made initially with twenty-five employees in knitwear industries to understand the working condition and the various problems faced by them. The articles published in The Hindu, a leading English newspaper in the southern part of India, highlighting the problems faced by the workforce in knitwear industries and subsequent enquiries with the employees revealed that they face multidimensional problems ranging from [Type text]
economic, social and environmental to psychological. It initiated the researcher to carry out this research.

Morale is an intangible and subjective concept. It cannot be measured directly. Employees are reluctant to express their true attitudes towards the work, environment, and management. The level of morale can be measured through observation, attitude survey, company records and counselling. Attitude survey is generally used to discover the feelings of employees towards their jobs, their supervisors, company policies and the organization as a whole. Research shows no direct and consistent relationship between morale and productivity. Productivity sometimes is high with high morale but at other times productivity may be low even when the morale is high. For instance, Herzberg found that in 54% of the studies, high morale was related to high productivity, while in 11% cases, high morale was associated with low productivity. In 35% there was no relationship between morale and productivity. There are many issues which are considered relevant for morale. There is also a general feeling that the level of morale of the employees is not up to the expectation and satisfaction of the management of knitwear industries. Therefore, an attempt is made to study the employees’ morale in knitwear industries in Tirupur and to identify the factors influencing employee morale.

The present study not only intends to examine the multidimensional aspects of employee morale in knitwear industries but also attempts to present constructive suggestions on the basis of the prevailing level of morale and also on the basis of the relative weightage given to each determinant of morale by respondents.
SCOPE OF THE STUDY

Managing the employees today is an increasingly difficult task. The involvement, sincerity, creativity and dedication to the job that the management expects do not seem to be the outcome of financial incentives as was believed earlier. Performance can be improved in two ways. Good employees can be attracted who could perform the task in a defendable manner and also use their creativity in their job performance. On the other hand, the organization should give them a working environment that enhances their growth and fulfills their expectations.

The changing concept of the management of the organizations requires a new look at the concept of performance as well. In the past, performance was defined in terms of a rise in the level of output of services with the same or reduced level of input as a result of better work methods and improved technology. It is, however, only through the employees that the ultimate increase in performance is achieved. Their performance is more important than equipment and raw materials. Therefore, performance needed to be redefined in terms of employee motivation, morale and satisfaction.

It has been empirically proved in many Indian and western organizations that conducive work climate, employee-centered climate and achievement-oriented climate ultimately improve performance. In this context, it is proposed to undertake investigation identify the factors influencing the employees morale and to make a comparative study of different levels of morale with various forms of organizations in knitwear industries in Tirupur.

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OBJECTIVES OF THE STUDY

The main objectives of the study are to find the factors influencing the employees’ morale and to make a comparative study of different levels of morale with various forms of organizations in knitwear industries in Tirupur. Under these main objectives, the following specific objectives have been framed for the present study:

1. To evaluate and present the theoretical aspects relevant to the concept of employees’ morale.
2. To identify the extent of variation in employees’ morale from certain clear categories of personal variables such as age, gender, education, income, experience, and the like.
3. To make a comparative study of the different levels of morale with various forms of organizations in knitwear industries in Tirupur.
4. To offer suggestions based on the findings of the study for the prospects of employees and for the development of knitwear industries.

HYPOTHESES

To keep the frame of the analysis intact and give a proper direction to the study, the following working hypotheses have been set up:

1. There is no significant difference in the level of morale among the different groups based on personal variables of Gender, Age, Education, Marital Status, Type of Family, Size of Family, Community, Status of Employment, Secondary
Occupation, Monthly Income, Skill Level, Experience, and Membership in Trade Union, Awareness of Various Acts and Form of Organization.

2. There is no relationship between the level of morale and the form of organization of knitwear industries.

**SAMPLING DESIGN**

Tirupur is popularity known as “Banian Town” and sometimes called as “T-Shirt Town” is fast expanding in all directions. There is tremendous growth in the form of new units in expansion of are chiefly existing units in the knitwear industry. Tirupur knitwear units are engaged in diversified production ranging from T-Shirts, sportswear, sweater, outer wear, ladies dresses, children garments, night wears and the like. Tirupur knitwear industry is predominately cotton based and engaged in the processes such as knitting, dyeing, printing, stitching and finishing. The composition of the knitwear industry in Tirupur is broadly classified as shown below with approximate number of units under each classification.
### TABLE 1.1

**NUMBER OF UNITS IN KNITWEAR INDUSTRY**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Units</th>
<th>Number of Units</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>Knitting (or) Stitching Units</td>
<td>1367</td>
<td>63.82</td>
</tr>
<tr>
<td>2.</td>
<td>Dyeing (or) bleaching units</td>
<td>363</td>
<td>16.95</td>
</tr>
<tr>
<td>3.</td>
<td>Printing Units</td>
<td>172</td>
<td>8.03</td>
</tr>
<tr>
<td>4.</td>
<td>Embroidery units</td>
<td>138</td>
<td>6.44</td>
</tr>
<tr>
<td>5.</td>
<td>Others (Compacting, raising, Calendaring)</td>
<td>102</td>
<td>4.76</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>2142</strong></td>
<td><strong>100.00</strong></td>
</tr>
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</table>


From the above table it is found that there are 1367 stitching units which constitute 63.82 percentage of the knitwear industry, 363 dyeing units which constitute 16.95 percentage of the knitwear industry, 172 printing units which constitute 8.03 percentage, 138 embroidery units which constitute 6.44 percentage and 102 other units which constitute 4.76 percentage of the knitwear industry.

Each and every unit provides employment to employees on an average of 60-75 employees with a total employment of approximately 1,50,000 to 2, Each and every unit provides employment to employees on an average of 00,000 employees. Different sources provide different figures, and it is very difficult for the researcher to estimate town. As most of the employees are migrant in nature, the working population seems to be floating and estimation becomes a difficult process. Few employees go to Tirupurtown from nearby town, villages and from Coimbatore city. According to the estimates made by Tirupur Exporters Association, in the year [Type text]
2010, about 1,50,000 employees are employed in various category of knit wear industry of Tirupur town.

Out of the total 1367 knitting units, samples of 27 units were selected for the research study. Out of 27 units, 9 units were selected from each type of organization namely non-corporate, private limited and public limited knitwear units in Tirupur. 10 employees from each sample unit were selected at random numbering to a total of 270 respondents had been taken up for collection of primary data. A schedule has been prepared by the researcher and necessary data had been collected.

**NON - SAMPLING ERROR**

In the present study, possible care has been taken to reduce the non-sampling errors. The researcher has paid attention to reduce the response error also. The purpose and the need for the study were explained to the employees of the units selected for the research study to gain the confidence of the respondents so as to furnish the required information.

The researcher is a native of Tirupur and is quite familiar with the local terms used in the study area. Hence, the researcher could easily draw the co-operation of the respondents. Information collected through direct enquiries from the respondent formed the data base for the study. Thus, the portion of the sample taken at different levels is shown as below:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Total number of units</td>
<td>1367</td>
</tr>
<tr>
<td>Number of Sample units</td>
<td>27</td>
</tr>
<tr>
<td>Number of employees selected</td>
<td>270</td>
</tr>
</tbody>
</table>
SOURCES OF DATA

The study is empirical in nature based on the survey method. The primary data relating to the knitwear unit employees were collected by interviewing the employees with the help of the interview schedule. The secondary data relating to the study were obtained from various published and unpublished records, annual reports, bulletins, booklets, journals, magazines and the like. In addition to these, the researcher held discussions with the officials of various knitwear units, trade union leaders, personnel managers of various knitwear units and with the officials of the South Indian Mill Owners Association (SIMA) and Tirupur Exporters Association (TEA). These discussions were helpful to the researcher in identifying the problems for the study. The study is individual employee-oriented and the factors selected are personal in character.

GEOGRAPHICAL COVERAGE

The present study covered the Knitwear units located in Tirupur in Tamil Nadu State.

CONSTRUCTION OF TOOLS AND PILOT STUDY

The tools for collecting primary data were constructed by the researcher himself. Casual interviews were conducted with twenty five unit employees, five officials from various trade unions and six personnel managers of various knitwear units in order to find out the variables of the study. The officials of the South Indian Mill Owners Association (SIMA) and Tirupur Exporters Association (TEA) were consulted to gather information for constructing the schedules.

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The interview schedule for the employees was constructed in English for the pilot study. The pilot study conducted during June, 2010 covered thirty employees. In the light of the pilot study, the schedule was revised. The interview schedule was translated into Tamil for the convenience and understanding of the employees.

The interview schedule (Appendix - I) has been used for collecting data relating to the employees and to measure the level of morale on the basis of the following determinants

**Determinant (D1) – ORGANISATIONAL POLICY**

A policy is a predetermined course of action established to guide the performance of work towards accepted objectives. A good organizational policy provides clear thinking, uniformity, continuity, delegation, human value base, job security, flexibility, justice and fairness and reasonability.

**Determinant (D2) – WORK ENVIRONMENT**

The efficiency of an employee depends, to a great extent, on the environment in which he works. Work environment consists of all the factors which act and react on body and mind of an employee. According to industrial psychology the physical, mental and social conditions in which people work are analyzed to suggest improvements in them. If the work environment is congenial, fatigue, monotony and boredom are minimized, and work performance and morale can be maximized.

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Determinant (D3) – TRAINING AND DEVELOPMENT

Successful candidates placed on the jobs need training by which the attitudes, skills and abilities to perform their duties effectively are shaped. Employees must he trained to operate machines, reduce scrap and avoid accident. If the employee looks to the future and perceives opportunities for satisfaction and for attainment of the rewards and conditions that lie ahead, morale will tend to be high.

Determinant (D4) – PERFORMANCE APPRAISAL

Performance appraisal may be understood as the assessment of an individual’s performance in a systematic way, the performance being measured against such factors as job knowledge, quantity and quality of output, initiative, leadership abilities, supervision, dependability, co-operation, judgement, and health, and is made at regular interval. The appraisal system is to be free from bias.

Determinant (D5) – EMPLOYEE REMUNERATION / INCENTIVES

Remuneration is the compensation which an employee receives in return for his or her contribution to the organization. Remuneration occupies an important place in the life of an employee. His or her standard of living, status in society, motivation, loyalty and productivity depend upon the remuneration he or she receives. Incentives are monetary benefits paid to employee in recognition of their outstanding performance.
Determinant (D6) – EMPLOYEE FRINGE BENEFITS

Fringe benefits refer to all those monetary benefits that the employees receive in addition to direct remuneration. Fringe benefits are popular because they enhance employee earnings, help to attract and retain competent personnel, reduce fatigue, minimize overtime cost and discourage labour unrest. Fringe benefits help build up a good corporate image and seek to enhance employee morale.

Determinant (D7) – EMPLOYEE MOTIVATION

Management is the art of getting things done through other people. When other individuals work together in group, a proper environment should be created and maintained to achieve the cherished goals of the organization. The personnel will work up to the satisfaction and expectations of the management only when an interest in their job is created. Inspiring this interest in the minds of the employee is motivation.

Determinant (D8) – EMPLOYEE PARTICIPATION IN MANAGEMENT

Employees’ participation in management seeks to bring about a change in the attitude of employees. Through participation they will consider themselves an integral part of the industrial undertaking rather than mere working hands. Participation provides the employees an opportunity to express themselves thereby satisfying their non-economic needs. It provides them a sense of belonging, pride and accomplishment.
Determinant (D9) – EMPLOYEE INTERPERSONAL RELATION

The confidence of an employee in fellow employees influences morale. When a man is confident that his co-employees are loyal to him and will provide advice and assistance whenever necessary his morale is likely to be good. The confidence of individuals is the goal of the group. A leadership can win the confidence of employees through sympathetic and friendly behaviour. There should be an impartial, helpful, and capable team of supervisors and managers and their sympathetic attitude towards employees will increase the morale of employees.

Determinant (D10) – EMPLOYEES WELFARE FACILITIES

Employee welfare is in the interest of the employee, the employer and society as a whole. For the employee, welfare measures help to counteract the negative effect of the factory system. These measures enable the employee and his family to lead a good life. Welfare facilities like housing, medical help and children’s education, recreation, and the like help to improve the family life of the employees. For the employer, welfare measures lead to higher morale and productivity of labour.

Determinant (D11) – SAFETY AND HEALTH OF THE EMPLOYEE

Good health and adequate safety of employees are essential for the successful functioning of any industry. Industrial safety and morale are directly related to each other. Safety measures prevent accidents and ensure regular flow of
work. Safety also helps to improve the morale and productivity of employees. It contributes to teamwork and a sense of belonging among employees.

**Determinant (D12) – TRADE UNION**

A trade union is a voluntary and continuing association of employees to protect and promote their interest. Employees join unions to secure steady employment, economic benefits, protection, and sense of belonging, self-expression, recognition and status.

**Determinant (D13) – EMPLOYEE GRIEVANCES HANDLING**

Many a time, grievances are the cause of low morale of employees’. The use of a well-established procedure helps in redressing employee grievances promptly. A sound procedure should be installed for quick and impartial redressal of employee grievances. Such a procedure will help to avoid dissatisfaction and negative attitudes among employees. The case of the employee is presented to the appropriate authority in time putting an end to unpleasant arguments and conflicts.

**Determinant (D14) – JOB SATISFACTION**

Job satisfaction is the end feeling of a person after performing a task to the extent that a person’s job fulfills his dominant needs and is consistent with his expectation and values.

Job satisfaction refers to an employee’s general attitude towards his job. It is the result of the pleasurable or positive emotional state of mind from the appraisal of
one’s job or job experience. The importance of job satisfaction is fairly evident from a description of the importance of maintaining morale in any industry.

**Determinant (D15) – IMAGE OF YOUR UNIT**

The image of a knitwear unit is an outcome of fulfilling its objectives and responsibility towards society. When the unit maintains an ethical policy and behaviour inside and outside, it has a very good image. In turn the employees get social status in the society. This will build up high morale.

**FIELD WORK AND COLLECTION OF DATA**

The fieldwork for the study was conducted between July, 2010 and December, 2010. Personal interview by the researcher was the major tool of data collection. An interview schedule was used during the interviews. Before the interview, proper rapport was established with the respondents. The data were recorded by the researcher in the interview schedule. The schedules thus filled in were thoroughly checked to ensure accuracy, consistency and completeness. On an average each interview took about 40 minutes. The data thus collected were categorized and posted in the master table for further processing.

**DATA PROCESSING**

After the collection of data, the filled in interview schedules were edited properly. A master table was prepared to sum up all the information. With the help of the master table, classification tables were prepared and they were taken directly for analysis.

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TOOLS OF ANALYSIS

The general plan of analysis ranges from simple descriptive statistics to ‘F’ test. The extent and variation of morale of the employees were measured through scale and analysis on the basis of the scores of components.

In this study, the data were analyzed by using statistical methods, like Mean, Standard Deviation, ANNOVA and Correlation. The computation was done for the total sample besides an analysis carried out separately for each mill and on the basis of form of organization.

The factor-wise analysis was made. The dependent variable ‘morale’ was related to independent factors influencing the same. The employees were grouped according to these factors and accordingly their mean and range of ‘morale scores’ for each factor group was calculated. In order to find the significance of the difference between the average, analysis of variance, ‘F’ test, co-efficient of correlation analysis and partial regression analysis have been applied.

CHAPTER SCHEME

The report of the present study is given in seven chapters as follows:

The first chapter deals with the design and nature of the study. It covers introduction, statement of the problem, objectives of the study, hypotheses, methodology, sampling design, construction of interview schedule, collection of data, construction of scale, data processing, tools of analysis and chapter scheme.

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In the second chapter, the theoretical review of literature in morale along with the research pertinent to the study on Indian and Western organizations is presented.

The third chapter deals with the concept of employee morale. It deals with the conceptual explanation out of employee morale, meaning of employee morale, definition and characteristics of employee morale, types of employee morale, measurement of employee morale, impact of morale on productivity, improvement of employee morale and the like.

The fourth chapter is presents the profile and study area. It gives the composition of industrial growth, incentives from state and central governments, major developments in the knitwear industries and the like.

The fifth chapter analyses the factors influencing employee morale. It is concerned with factors influencing the level of employee morale.

The sixth chapter deals with the level of morale in different forms of organization of knitwear units.

The last and seventh chapter deals with summary of findings, suggestions and conclusion.