

Employee Relations Management and Employee Performance (A Study of Dangote Cement, PLC, IBESE)

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Abstract: - The objective of this study is to analyze the influence of employee Relations Management (ERM) on Employee Performance (EP). To accomplish this objective 120 samples were selected randomly from the whole population (staff of Dangote Plc in Ibesse Ilaro). A simple linear regression was conducted to examine how well ERM predict level of EP. The result of the test shows that there exist a strong positive relationship between ERM and EP ($r=.802$, $p<.01$); ERM has a strong positive power on EP ($R^2=.642$) which means 64% of variance in EP was predicted from ERM; a unit change in ERM will result in 0.97 increase in EP. The regression equation for predicting EP from ERM was $Y=20.1867 + 965 (X)$. Some diagnostics outcome of the research was not spurious. The bootstrapped 95% confidence interval for the slope to predict EP for ERM range from -2.11 - 1.712 which signifies that the model was free from outliers, the PP plot and Durbin Watson value 2.286 did not exceed ($-1<3$) and that implies the observation were independent. Based on the outcome of the test it was recommended that organization should endeavor to adopt good ERM practice as a technique for enhancing productivity.

Keywords: Employee performance, Employee relations, Organization, productivity

I. INTRODUCTION

Businesses are unable to perform better and attain its targets if there is a bad relationship between employees and employer, therefore, it is very significant for managers to create and uphold effective connection with their employees. Reliable employee and management relationship is vital to the work place whether at the duration of hiring, throughout an employees' tenure or at the time of separation (Pradeep & Prabhu, 2011). Good employer-employee relationships is indispensable to the organization because it motivates employees to work better and produce more results (Abushawish, 2013).

Employee relationship management (ERM) has many recorded great result in organizations such as fortifying corporate communication and culture, promoting organization's products, services and customer providing real-time access to company's training, targeting facts to an employee based on their needs (Wargborn, 2008). Employees are the central point in the achievements of every

organization. If the employees work with each other and share a good connection with employers they can accomplish their tasks much faster. Managing employee relationship is relevant and worthwhile to the organizational triumph and attaining competitive advantage. It is essential to have a strong relationship between employees and employers that leads to efficiency, motivation, and better performance.

It contains all the issues between employers and managers that rose day to day between these groups and therefore ERM includes relations which are collective including managers and workers. It encourages willpower, helps employees in the accomplishment of organizational objectives minimizes workplace conflict and increases trust (Bajaj et al., 2013). Seeking to create a positive employee relations surroundings ought to be part of every manager's performance targets.

Although in today's competitive business environment employee relations is one of the support beams and vital functions of human resource management which leads to reliable employee performance and organizational performance. Small organizations in Nigeria appears to put employee relations behind them by not providing it special attention and concern, as a result, they are still battling to build and uphold effective employee relations, this produces unwanted conflicts in these organization which in turn affect their performance. Poor relations between the employer and employees among organizations operating in the globally and locally markets has become the challenge (Chinomona & Sandada, 2013).

This study intends to determine whether there is an effect for ERM on performance in the manufacturing industry.

A. Employee Relations

Vineet, Sinha and Bajaj (2013) stated that employee relations is a study of the guidelines ,laws as well as agreements by which employees are handled both as individuals and as a combined group. Lewis et al (2003) revealed that employee relations recommend a wider employment canvas being covered with equal significance connected to non-union employment agreements and white

collar jobs. Ansong, Akuoko and Dwumah (2012). noticed that employee relations is to take care of the connection between employer and employees with the top objectivity to attain the very best level of efficiency regarding goods and services, employee motivation using preventive steps to fix issues that negatively impact the working conditions. Sarmad, Shahzad, Abbas and Khan (2011) strongly suggested that employee relations is concerned with the social economic connection which forms and centers around a contract between the parties to execute work in return for employment benefits such as remuneration. Tansel and Gazioglu (2013) mentioned that employee relations include the interaction as well as relationships that in the end lead to acceptable efficiency, job satisfaction, motivation and morale of the employees

B. Employee Relationship Management

Employee relationship (ER) is a sort of special interpersonal connections, which is really an idea placed forward by the western learners in the 20th century in order to substitute industrial relation, it relates to the connection of right and obligation, management and obeying caused by the passions between enterprise and the staff, which is also shown as the total of cooperating, conflict, force and power relations, and is inspired by economic, technology, policy, legal system and social cultural background in certain society (Yongcai, 2010). Employee and Employer organization relationships are part of a business's inner connection management. Much research regarding this internal connection management has concentrated on organizational behavior/theory and human resource management (Jing, 2013).

ERM is a quite new idea; a general explanation thus recognizes ERM as technique, programs and technology to successfully handle how firms relate to prospective, present as well as former employees. There are many commonalities to customer relationship management (CRM), which is clear considering that the notion of ERM has been derived from that concept (Gillenson, Stafford & Yang, 2011).

C. Employee Performance

Effective human resources includes not only the acquiring of the right number and quality of people, but also the handling of employees to make sure that the efficiency is continually evaluated at a level that is constant with the accomplishment of organizational targets. Employees must understand what is anticipated, not only in terms of obligations and duties but also in standards of efficiency (Ngari & Agusioma, 2013).

The idea of performance covers both exactly what has been attained and exactly how it's been attained. Organization efficiency is assessed in many different ways. The most clear option to assess exactly what has been attained, and also the strategy utilized in many reports, is through reference to key performance indicators (KPIs), which

usually have to do with monetary outcomes (profitability) or productivity (Bajaj, 2013).

Employees perform an important function in organizational triumph. Employee efficiency has been shown to have a important great influence on organizational performance (Chandra, 2009). Recognized employee performance symbolizes the overall notion of the employee regarding his behavior and efforts in the triumph of organization. Employee performance may be taken in the view of three factors which make it feasible to execute much better than others, main determinants of efficiency may be such as declarative understanding, procedural knowledge and motivation (Adofu & Akoji, 2013).

D. The Equity Theory

Developed by J. Stacy Adams it alludes to an individual's summary opinion in regards to the justness of the benefits she obtains relative to inputs such as energy, knowledge, as well as education, in compare with the benefits of other people who fall under the similar group. If the relations are irregular then disparity will likely be sensed and will minimize the psychological state of the involved employees.

E. Douglas Mc Gregory Theory

Mc Gregor (1966) placed forward a theory pertaining to the altitude of workers regarding work and the fashion of supervision. If an organization supposes that individuals do not like to work, do not want duty and will stay away from it if they can, there has to be really close supervision of these workers. Performance might depend on the fashion of supervision these were the theory x assumption. On the other hand, if workers love to work and accept responsibility and they execute better with quite little supervision then they ought to be permitted to work with a lowest of supervision and direction. These were the theory y assumption.

There are a lot of empirical studies on the issue of discussion. Holtzhausen and Fourie (2011) carried out a study on the effect of employee relationships and knowledge sharing on employee's performance: An empirical research on service industry. The aim of the studies was to explore the end result of employee relationship and knowledge sharing to employee performance in five star key hotels in Antalya, Turkey. Questionnaires were given to 80 participants using interview, statistical analysis which involved evaluation of frequencies, percentages and means, dependability relationship as well as simple regression evaluation was conducted. It was discovered through the outcome of the study that Employee-employer and employee-organization relationships are part of a business's inner connection management which centered upon human resource activities to establish trust and enhance organizational effectiveness.

Mshenga and Richardson (2012) carried out an investigation on perception of the effectiveness of employee

relationship management practices in large civil society. The aim of this research is to figure out the perception of the effectiveness of employee relationship management practice of large civil society organizations (CSOs) involved in governance in Nairobi. The studies utilized narrative and analytical methods which targeted all employees in 18 large civil society organizations with more than 100 employees and whose main business is governance. The target populations for the studies were 1880 employees. The studies utilized organized questionnaire as the primary data collection instrument. The end result uncovered a positive perception on employee relations management practices by the civil society organizations. It was also disclose that employees are happy with the level of participation in decision making and the level of support they get from the management.

Mohd-Shariff, Peou and Ali (2010) carried out an investigation on co-operation between employee and management to increase productivity using Mobil producing Nigeria Unlimited as a study. He discovered that cooperation between employers and employees have a strong correlation with productivity.

II. METHODOLOGY

The studies adopted a survey research which incorporated both descriptive analytical approach and of test of hypothesis. The study population comprised of the entire staff of three (3) departments (Production, Marketing and Purchasing) Dangote Plc Ibeso Ogun State Nigeria. The complete staff strength of these departments was 1118. In the determination of the sample size for this study, the assertion of Mugenda Mugenda that a sample which is above 10% percent of the total population is representative of the population was adopted. Therefore a Purposive sampling technique was used to select 120 respondents amongst the staff across the three targeted departments in the organization. The Sample consisted of 82 junior staff and 38 senior staff. Collecting the needed data for the research relied on primary source through the use of a questionnaire design to elicit relevant information from the respondents. Apart from subjecting the questionnaire to overview by the supervisor, Cronbach Alpha test and component factor analysis were carried out with the help of SPSS to ensure the internal consistency (Reliability) and adequacy (validity) of the instrument respectively.

The researcher use both descriptive and hypothesis testing in the analysis with the aid of Statistical Package for Social Sciences (SPSS).

The model of this study could be specified as follows.

$$Y = \beta_0 + \beta_1 X_1 + \dots$$

Where Y= dependent variable

β_0 = constant

β_1 = correlation coefficient

X_1 = independent variable

N = error term

The model can be explicitly written as:

$$EP = f(ERM)$$

$$EP = \beta_0 + \beta_1 ERM + U_{ii}$$

Where

EP = Employee Performance

ERM = Employee Relations Management

N_1 = Error term.

III. DATA PRESENTATION AND RESULTS

Table I: Model Summary

Model	R	R Square	Adjusted R square	Std. Error of the Estimate	Durbin-Watson
1.	.802 ^a	.642	.639	2.92481	2.286

a. Predictors: (Constant), ERM

b. Dependent Variable: EMPPERFORMANCE

Table 1 shows that the influence of employee relation management to the prediction of organization performance was significant ($R^2 = .642$). This implies that about 64 percent of the variability in Employee Performance is accounted for by Employee Relations Management.

Table II: ANOVA showing the goodness of fit of the regression model

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	1814.037	1	1814.037	212.057	.000 ^b
	Residual	1009.429	118	8.554		
	Total	2823.467	119			
a. Dependent Variable: EMPPERFORMANCE						
b. Predictors: (Constant), ERM						

Table 2, shows that there is a significant positive relationship between ERM and EP. Evident by the value of the t-statistics ($f(1/118) = 212.057, p < .05$). This implied that the null hypotheses of no significant relationship and no significant prediction between employee relations management and employee performance will be rejected and the alternative hypothesis accepted.

Table III: Correlation Coefficient showing the estimates of the direction of the relationship between the employee relations management and employee's performance

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B		
	B	Std. Error	Beta			Lower Bound	Upper Bound	
1	(Constant)	20.186	4.166		4.845	.000	11.935	28.437
	ERM	.965	.066	.802	14.562	.000	.833	1.096
a. Dependent Variable: EMPPERFORMANCE								

Table 3 showed that there was a very strong positive correlation between Employee Relations Management and Employee Performance which correlates at .802. The table further showed that every 1 unit increase in ERM will result in 0.97 increase in EP ($\beta=.965$, $t= 14.582$, $p<.05$). Based on the result from the table above. The regression equation is expressed as $Y=\beta_0 + 0.965 X$.

The study empirically examined the influence of employee relation management on employee performance embracing both descriptive and inferential statistics. It was not only established from the findings of the study that ERM has a significant and positive relationship with EP ($f(1/118) = 212.057$, $p<.01$). But also proven that its contribute significantly to the prediction of employee performance. About 64.2 percent of total variation in EP was defined by ERM ($R^2=.642$). This signifies that harmonious relationship is of great importance to the performance of employee in an organization and therefore attention should be concentrated on ERM in policy formulation and implementation towards eliciting positive workplace attitude from employees.

Following from the foregoing, it is therefore recommends that creation of awareness and embracing of viable ERM practice could be targeted as a strategy for improved employees' performance as well as organization performance.

The affirmation of this study that employee relations management is a strong correlate of employee performance corroborated the reports of some earlier researchers such as: Onjango (2014); Holtzhausen and Fourie (2011); Bajaj (2013) Tansel and Gazioglu (2013); Jing (2013) and Strohmeir (2013) that there exists a strong connection between employee relations management and employee performance.

IV. CONCLUSION

The outcomes of the studies shows that if ERM components (HR practices, communication, trust, shared goals and values and leadership styles) are applied in an organizations and managers give it high attention it can improve ERM position in organizations through aiding employees in attaining tasks and targets set for their job positions and helps in building reliable communication channels and systems so that ideas requirements of employees are met.

It draws attentions to performance, growth and improvement of employees for creating competitive advantage. It helps in enhancing working conditions, developing balanced relationships among employees; it inculcates a feeling of belongingness among employees in manufacturing sector practicing ERM, without necessarily labeling these practices ERM. In this case, ERM would actually exist within the organization on top of everyday processes and practices which are known to employees and managers. In other words, just because organizational habits which assist ERM are not actively managed or documented within companies, does not mean they are not actually there.

Organizations in manufacturing sectors employ HR practices which would make the employees execute his or her jobs very well. This can be assigned to organizations consciousness on the relevance of the HR practices in the manufacturing sector and their crucial role in enhancing employees' performance. Good connection between the manager and employee influence employees performance where effective connection can earn the loyalty and commitment of the employees when the manager provide steady leadership, clearly interaction, treat the employees fairly and consistently

V. RECOMMENDATIONS

- i. Based on the findings in the research, the researcher recommends the following:
- ii. It is worthwhile for the manufacturing companies to pay unique attention to all elements of ERM involving HR practices, communication, trust, leadership styles and shared goals and values as important variables because of its great effect on employee performance on long term.
- iii. Organizations should have evident model for ERM. This model should contains every aspects of the employee relationships where ERM must be a new concept the organizations adopt and implement where the employees are the key success of any organization,
- iv. Organizations should use best HR practices to achieve consistently improving results in their employees' performance.
- v. Organizations should enhance communication within the employees through interchange ideas, feelings

- and opinions with management to strength the relationship with employees.
- vi. Managers in the manufacturing sector should make clear goals and values, provide formal and informal feedback, and engage employees in open and honest discussion, so they can improve the relationships they share with employees.
- vii. Managers in organizations should earn employee trust and respect to strength the relationship with the employees and improve their performance.

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