

A STUDY ON TEAM WORK AND PERFORMANCE OF EMPLOYEES IN ENHANCING THE ORGANISATIONAL PRODUCTIVITY IN AUTOMOBILE INDUSTRY

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Abstract: India has emerged as one of the fastest growing economies in the world having recorded an annual growth of more than 8% over the last four years. The Government recognises that in order to sustain its current economic progress, broad based robust growth in industrial and services sector is required, which needs to be supported by the automobile industries segment. This research focuses in identifying the extent of team work and performance of employees in enhancing the organisational productivity. The researcher has identified that both the factors possess a strong influence in increasing the organisational productivity.

Keywords: Team work, employee performance, Organisational productivity, Factor analysis.

1. INTRODUCTION

India has emerged as one of the fastest growing economies in the world having recorded an annual growth of more than 8% over the last four years. The Government recognises that in order to sustain its current economic progress, broad based robust growth in industrial and services sector is required, which needs to be supported by the automobile industries segment. Automobile industries play a vital role in the development of the economy and also ensure regional balance in economic development. This segment is the subject of intense focus from several Government institutions, corporate bodies and banks and is rightly viewed as an agent of economic transformation and growth.

Her Excellency, The former President of India, Shrimathi Pratibha Devisingh Patil on the occasion of presentation of National Awards instituted by the Ministry of automobile industries observed that, "The contribution of Automobile industries to the economic growth of countries is recognised worldwide. In India, these enterprises account for almost 45% of manufacturing output, 95% of the number of industrial units and 40% of exports. Besides, the sector provides employment

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to almost 60 million people, making it the largest source of employment after agriculture.... and plays an important role in the national endeavour for inclusive growth. 54% of the Automobile industries are located in rural areas and has the capacity to generate economic activity in rural areas using local raw materials, local skills and providing people employment close to where they live". The President added that the automobile industries sector is a nursery of entrepreneurship, often driven by individual creativity and innovation, and also described as a nursery for new ideas of innovative products and processes.

Shri Virbhadra Singh, Union Minister for Automobile industries, at a conference of automobile industries officials. Noted that, "Micro, small and medium automobile enterprises are contributing a lot towards empowerment of people of India by providing them employment as well as support to establish self-entrepreneurship ventures....They are the backbone of the nation's economy and constitute a bulk of the vendors and sub-contractors of large manufacturers.... This Ministry has risen well to this job and is trying to touch almost every pressure point, every strategy, which can actuate the growth of Automobile industries like a catalyst".

A vast majority of automobile industries units remain in sub-optimal scale of operation and find it exceedingly difficult to carve a niche in the highly competitive market area. The Prime Minister has set up a Task Force to address the issues and concerns referred to by the automobile industries Associations and to suggest a road map for action to mitigate the problems and restore confidence to this sector. Some areas that need to be focussed on for the betterment of this sector are - training and skill development for the small entrepreneurs, knowledge of global rules, standards and regulations, continuous supply of raw materials and utilities like fuels, electricity and water and awareness of ICT (Information & Communication Technology) to foster innovation in products, processes and business models.

The Government of India has implemented various schemes for providing support and impetus to this sector. One of the landmark measures was the enactment of The Micro, Small & Medium Enterprises Development Act 2006. The Act defines micro, small and medium units based on their investment in plant and machinery. Some of the important initiatives undertaken by the government are -availability of collateral free loans, cluster development for increasing productivity, capacity and competitiveness, capital subsidy scheme for technology upgradation etc.

The clear thrust of the recent policy initiatives has been three-fold: (i) enhance competitiveness through encouraging an innovative ethos amongst firms and being quality conscious; (ii) increase links with multiple stakeholders with a view to benefit from networks both nationally and globally; and (iii) strive for a larger market presence beyond the domestic area. The policy attaches importance to

networking with stakeholders both upstream and downstream in the entire global value chain, from raw material procurement to processing/manufacturing to marketing to customer services.

Rampersad, H. (2006), in his article, mentions that the Micro and Small Enterprises sector continues to be the vibrant sector of the Indian economy. He further states that, the most significant impact of globalisation is the rise in competition in the industry and increase in the bargaining power of the buyers. Though globalisation has led to opening up of new markets and opportunities, these benefits have been offset by increased competition and greater bargaining power of buyers. Therefore Automobile industries have to learn and imbibe the process of innovation, in their day-to-day functioning to remain competitive. Automobile industries in India have shown enough strength, vigour and resilience for sustained development.

This observation highlights the crucial role played by the automobile industries sector in promoting and sustaining the economic growth in our country. Human capital is an important component of all organisations since they contribute to the efficient working of the enterprise. Large corporates establish their own HR department to cater to the requirements of the management and employees. They continuously strive to match the expectations of the employees by initiating policy measures and serve as a connecting link between the management and the employees.

Hence, this study is aimed to throw light on the key areas to be focussed on by the employers to motivate the human capital in their enterprises. Employee retention is a major challenge of Automobile industries as they will face stiff competition from multinationals and big companies who will be in a position to pay a much higher compensation for these well trained employees.

Therefore the present study attempts to identify the factors influencing employee team work and performance in Automobile industries by choosing certain core variables.

2. SCOPE OF THE STUDY

Automobile industries play a very crucial role in the development of an economy as they generate employment opportunities. They face stiff competition from the multinationals and large corporates and are unable to retain their top performers. The present study is undertaken to help the Automobile industries in identifying the perceptions of the employees team work and performance about their job and their expectations from the owner/top management, which will facilitate their continued trust and loyalty to the employer.

A detailed analysis of the important factors that impact the perceptions of the employees in their career and professional advancement is considered to study the implications on the level of engagement is considered in the present study.

3. OBJECTIVES OF THE STUDY

1. To analyse the significant relationship between current area of work and teamwork of the employees
2. To analyse the significant relationship between current area of work and performance of the employees
3. To determine the key factors influencing the team work and performance of automobile industries.
4. To analyse the extent of relationship between teamwork, performance of employees on organisational productivity.

4. METHOD OF RESEARCH

Survey method through structured questionnaire was adopted for the study.

4.1. Sampling Frame and Data Collection Procedure

Primary data required for the study was collected through questionnaires distributed to employees, who included top management, middle management and employees in the Automobile industries.

Convenience sampling was adopted taking into account availability and approachability of employees for the purpose of data collection.

5. LIMITATIONS OF THE STUDY

The present study has the following limitations:

1. The concentration of the study is to examine the general perceptions of the employees.
2. There are many variables that influence engagement, but the study is confined to selected variables only.
3. Social and religious settings of the employees have not been considered for the study.
4. The educational qualifications of the employees has not been considered for the study.

6. DISCUSSION AND FINDINGS

Reliability Test

S.No.	Name of the constructs	Cronbach Alpha	Accept / Reject
1.	Team work	0.964	Accepted
2.	Employee performance	0.926	Accepted
3.	Overall	0.975	Accepted

From the above table it is noted that the cronbach alpha is greater than the required value of 0.70, therefore it can be stated that the data is reliable and valid

Descriptive Statistics

<i>Gender</i>	<i>in %</i>
Male	62.28
Female	37.72
<i>Age</i>	<i>in %</i>
Less than 25 years	9.65
26 - 40 years	12.28
41 - 50 years	52.63
Above 50 years	25.44
<i>Experience</i>	<i>in %</i>
Less than 5 years	25.44
5 - 10 years	52.63
More than 10 years	21.93
<i>Current Position</i>	<i>in %</i>
Employees	16.67
Middle level management	53.51
Top level management	29.82
<i>Area</i>	<i>in %</i>
Production	14.04
Services	45.61
Others	40.35

Chi Square Test

1. Null hypothesis: There is no significant relationship between current area of work of employees and teamwork of the employees.

Case Processing Summary

	<i>Cases</i>					
	<i>Valid</i>		<i>Missing</i>		<i>Total</i>	
	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>
area * teamwork	114	100.0%	0	0.0%	114	100.0%

area * teamwork Crosstabulation
Count

	<i>Teamwork</i>														<i>Total</i>
	<i>1.20</i>	<i>1.40</i>	<i>1.80</i>	<i>2.00</i>	<i>2.40</i>	<i>2.60</i>	<i>3.00</i>	<i>3.20</i>	<i>3.60</i>	<i>4.00</i>	<i>4.40</i>	<i>4.60</i>	<i>4.80</i>		
Production	1	0	0	4	3	1	1	0	0	2	4	0	0	16	
area Service centre	0	1	1	13	4	3	0	1	1	6	11	4	7	52	
Others	0	0	1	13	0	2	0	0	1	1	19	7	2	46	
TOTAL	1	1	2	30	7	6	1	1	2	9	34	11	9	114	

Chi-Square Tests

	<i>Value</i>	<i>df</i>	<i>Asymp. Sig. (2-sided)</i>
Pearson Chi-Square	36.661 ^a	24	.047
Likelihood Ratio	37.828	24	.036
Linear-by-Linear Association	3.206	1	.073
N of Valid Cases	114		

From the above analysis it is determined that the significance value (p -value) is 0.047, which is less than 0.05, therefore we can reject the null hypothesis and accept the alternate hypothesis. Therefore, it is identified that there is a significant relationship between current area of work of employees and teamwork of the employees

2. Null hypothesis: There is no significant relationship between current area of work of employees and performance

Case Processing Summary

	<i>Cases</i>					
	<i>Valid</i>		<i>Missing</i>		<i>Total</i>	
	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>
area * performance	114	100.0%	0	0.0%	114	100.0%

area * performance Crosstabulation

Count

	Performance														Total
	1.60	1.80	2.00	2.20	2.40	2.60	2.80	3.60	3.80	4.00	4.20	4.40	4.60	5.00	
Production	1	1	3	0	5	0	0	0	2	1	3	0	0	0	16
Service centre	0	2	13	0	5	1	3	5	8	11	1	1	1	1	52
Others	0	1	12	1	2	0	0	0	5	12	5	1	2	5	46
Total	1	4	28	1	12	1	3	5	15	24	9	2	3	6	114

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	41.350 ^a	26	.029
Likelihood Ratio	43.166	26	.019
Linear-by-Linear Association	5.020	1	.025
N of Valid Cases	114		

From the above analysis it is determined that the significance value (p-value) is 0.029, which is less than 0.05, therefore we can reject the null hypothesis and accept the alternate hypothesis. Therefore, it is identified that there is a significant relationship between current area of work of employees and performance

Factor Analysis of Teamwork

In order to determine the key factors which influences the team work among the employees in the organization, factor analysis is used

KMO and Bartlett's Test

<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</i>		.814
Bartlett's Test of Sphericity	Approx. Chi-Square	756.432
	df	10
	Sig.	.000

Communalities

	Initial	Extraction
coordination	1.000	.923
delegation	1.000	.852
taskandroles	1.000	.835
goodfaith	1.000	.868
comfortness	1.000	.904

Extraction Method: Principal Component Analysis.

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.382	87.642	87.642	4.382	87.642	87.642
2	.275	5.494	93.136			
3	.201	4.028	97.164			
4	.096	1.923	99.087			
5	.046	.913	100.000			

Extraction Method: Principal Component Analysis.

From the above analysis it is concluded that the KMO value was acceptable, as its value found to be 0.814, which is indicative of a data set considered highly desirable for factor analysis. The p value is 0.000, which is less than 0.05, the assumed level of significance that the correlation matrix of the variables is insignificant. Total percentage of variance accorded is 87.642.

The communalities in the analysis states the major factors which influences the teamwork among the employees, therefore it can be identified from the above table that coordination among the employees, with extraction of 0.923, is considered as the prime factor in influencing the teamwork among the employees

Factor Analysis of Employee Performance

KMO and Bartlett's Test		
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</i>		.865
Bartlett's Test of Sphericity	Approx. Chi-Square	564.979
	df	10
	Sig.	.000

Communalities		
	<i>Initial</i>	<i>Extraction</i>
consciousness	1.000	.864
openness	1.000	.908
job stability	1.000	.856
work environment	1.000	.873
supervisors support	1.000	.387

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.887	77.749	77.749	3.887	77.749	77.749
2	.696	13.930	91.679			
3	.204	4.087	95.766			
4	.124	2.479	98.245			
5	.088	1.755	100.000			

Extraction Method: Principal Component Analysis.

From the above analysis it is concluded that the KMO value was acceptable, as its value found to be 0.865, which is indicative of a data set considered highly desirable for factor analysis. The *p* value is 0.000, which is less than 0.05, the assumed level of significance that the correlation matrix of the variables is insignificant. Total percentage of variance accorded is 77.749.

The communalities in the analysis states the major factors which influences the teamwork among the employees, therefore it can be identified from the above table that openness among the employees, with extraction of 0.908, is considered as the prime factor in influencing the teamwork among the employees

Regression Analysis

In order to analyse the extent of relationship between the independent variables (team work and performance) towards the dependent variable, organizational productivity, regression analysis is applied

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.906 ^a	.821	.817	.673

^a. Predictors: (Constant), performance, teamwork

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	229.865	2	114.933	253.931	.000 ^b
Residual	50.240	111	.453		
Total	280.105	113			

^a. Dependent Variable: organisational productivity

^b. Predictors: (Constant), performance, teamwork

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.045	.209		-4.995	.000
teamwork	.913	.173	.678	5.287	.000
performance	.364	.197	.237	1.850	.067

^a. Dependent Variable: organisational productivity

From the above coefficient table, the regression equation can be states as follows:

$$Y \text{ (Organisational productivity)} = 1.045 \text{ (Constant)} + 0.913 \text{ (Team work)} + 0.364 \text{ (Performance)}$$

Overall Findings

It is identified from the analysis that team work and performance assist in enhancing organisational productivity in the organisation. Of all the factors in teamwork, coordination among the employees is considered by the respondents as the most influential factor also noted in performance is that openness among the workers is highly important for enhanced performance, From the regression analysis it is further noted that teamwork and performance possess a strong influence in enhancing the organisational productivity.

7. CONCLUSIONS

Successful entrepreneur depend on the capabilities of their subordinates and most upwardly mobile entrepreneurs know that an empowered team enhances their performance. In other words, the contributions of the team members are related to an efficient leader/entrepreneur.

The management is the key to ensure that all members in a team work together – creating a feeling of ownership in each employee, allowing them to take crucial decisions and undertake greater responsibilities will ensure smooth completion of any task. She adds that, getting ordinary people to do extraordinary things is a function of setting challenging tasks, placing trust, emphasising process management and devolving ownership.

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