

## **Employee Suggestion System: A Tool for Improving Employee Involvement**

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**ABSTRACT:** Contemporary business organization practices different concept to improve the organizational performance. Every employee in the organization should contribute their efforts and skills to achieved desired result of the organization in a competitive business environment. Most of the organizations have been utilize their employee's skills and knowledge for organizational improvement by employee involvement. Employee involvement is a broader concept and also it is the foundation of employee job satisfaction, creativity, and commitment, motivation and employees performance. The data collected from 289 employees of auto component industry, critically examines the importance of suggestion system to improve employee involvement in organizational decision making. The study also tries to explore the causes of low involvement and benefits of employee involvement to the organizations.

**KEY WORDS:** Involvement, Suggestion system, performance, commitment and motivation.

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### **I. INTRODUCTION**

Organizations throughout the world need to focus on organizational performance to sustain in a global market. All types of organization have been developed many approaches and practice that in organization to achieved desired result. The investment of an organization has in its human capital is crucial to remaining competitive in today's business environment. [(Helper, 2002) Sustained improvements in organizational performance require the full commitment and involvement of everyone in the organization, especially the employees who operate the equipment. Organizations in all over the world have designed different processes to improve performance level from functional to employees and till organizational level to perk up overall organizational performance. Organizations must perform at individual level to improve their performance of whole organizational (Arif et al, 2010)]. It is not possible for the organization to improve organizational performance without employee's participation and involvement.

### **II. LITERATURE REVIEW AND BACKGROUND OF THE STUDY**

Employee involvement is a practice that allows employees to give their inputs and ideas for improvement of organizational performance. Employee involvement (EI) programs—the diverse set of personnel and human resource (HR) practices that increase workers' authority at workplaces and in business decision making, such as total quality management, self-directed work teams, and workplace committees—are widely heralded innovation (Chi et.al, 2011) Employee involvement is an old idea constantly being revitalized by organizations and new generations of practitioners throughout the world. For instance, the oldest documented system of formal employee involvement is a document called “employee suggestion system”, established by Eastman Kodak in 1898 (Sunhilde and Tripa, 2008) Employee involvement (EI) has a positive effect on organizational performance [Ricardo, 2001]. Employee involvement is creating an environment in which people have an impact on decisions and actions that affect their jobs [Shivangee et.al, 2011]. Getting employees involved not only yields valuable ideas and suggestions, but also the increased morale of workers who feel like they are being listened to results in a more productive and satisfying work environment. Methods of getting employees involved are many and varied and these include suggestion systems, teams, focus groups, surveys, self-directed work groups, incentive programmes among others Suggestion system will increase employees' motivation to think creatively and participate in the system. The employee involvement practice covered were job rotation, suggestion systems, quality of work life, quality circles, total quality management, self-managed work teams, job redesign, joint labor-management committees, and employee representation on the board of directors several managers said they had heard about firms' greatly increasing productivity through employee involvement, and decided to adopt them. Employee suggestion systems are a useful way to obtain and utilize employees' creative ideas. [Fairbank, 2001].

### III. RESEARCH METHODOLOGY

The research method was used to analyze employee suggestion system impact on employee involvement by collecting primary data, using a questionnaire method. A questionnaire was used to collect primary data from Auto – components organization employees of Chennai. The questionnaire was developed to obtain employees views on suggestion system impact on employee involvement. Out of 330 questionnaires distributed to the respondents, 289 were completed and returned which corresponds to a response rate of about 88%. The data was analyzed using SPSS package. The aim of this research is:

#### 3.1 Objectives of the study

- To analyze the impact of suggestion system on employee involvement
- To identify the causes of low involvement of employees

#### 3.2 Sampling technique

A sample of 330 respondents was drawn using the simple random sampling technique as this method has the least bias and offers the greatest generalisability of results.

#### 3.3 Measuring instruments

Data were collected using questionnaire method that focused on the impact of suggestion system on employee involvement using a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5), nominal and ordinal scale. Also, the benefits of employee involvement and causes of low involvement were assessed.

#### 3.4 Statistical analysis

The reliability of the questionnaire was statistically assessed using Cronbach's coefficient alpha and indicated a very high level of internal consistency of the items ( $\alpha = 0.923$ ) and hence, a very high degree of reliability. Descriptive statistics (frequency analyses, mean analyses and standard deviations) and inferential statistics (correlations, ANOVA, Regression and Chi-square test) were used to analyse the results of the study.

### IV. RESULT AND DISCUSSION

The aim of the data analysis was to identify the relationship between variables. The collected data was analyzed using SPSS package.

#### 4.1 Descriptive statistics

There were a total of 289 respondents. According to the analysis, most of the respondents are in the age of 31 to 40 with a valid percent of 56.7% which contributes almost half of the respondents. Demographic analysis shows that 61.7% of the respondents work in production unit. The analysis also indicates that 46.8% of the respondents that have been in the present position for less than 5 years.

#### 4.2 Impact of implementation of suggestion system on employee involvement

To identify the impact of implementation of suggestion system on employee involvement, simple linear regression analysis was used.

**H0:** There is no impact of implementation of suggestion system on employee involvement.

**H1:** There is an impact of implementation of suggestion system on employee involvement

**Table 1. Regression analysis for impact of implementation of suggestion system on employee involvement**  
Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.490	.240	.239	.54950

#### Regression Coefficient

Model	$\beta$	t-value	Sig	F-value	Sig
1	.449	14.960	.000	170.373	.000 <sup>a</sup>

The result of simple regression analysis indicates that 24% of variance ( $R^2=.240$ ) explained by implementation of suggestion system [ $F=170.373$ ,  $p=.000$ ]. The beta value shows the strength of implementation of suggestion system on employee involvement [ $\beta=.449$ ,  $t=14.960$ ,  $p=.000$ ].

The results were found moderate significant. It was found that employee involvement is predicted by suggestion system to an extend of 44.90% (Beta value is .449) and the R squared value is .240 which indicate that 24% variance in employee involvement was explained by suggestion system.

#### 4.2 employee's opinion on causes of low involvement between different experience group of the employees

The purpose of this analysis used to identify the employees opinion on causes of low involvement between different experience groups of the employees using Kruskal Wallis Test.

**H0:** There is no significant difference between employee's opinion on causes of low involvement and different experience level of the employees.

**H1:** There is a significant difference between employee's opinion on causes of low involvement and different experience level of the employees

**Table 2. Kruskal Wallis Test for Employee's opinion about causes of low employee involvement**

Causes of low Involvement	Experience level ( Mean Rank)				Average mean score	df	X <sup>2</sup>	Sig
	<1 year	1-3 years	3-5 years	> 5years				
Job dissatisfaction	141.96	105.26	186.92	156.50	590.64	3	19.637	.000
Over workload	144.42	188.93	116.46	151.50	601.31	3	13.378	.003
Poor relationship	148.87	174.02	109.53	116.00	548.42	3	13.249	.001

There is a significant difference in employee's opinion on job dissatisfaction [ $X^2=19.637$ ,  $p=.000$ ], over workload [ $X^2=13.378$ ,  $p=.003$ ] and poor relationship [ $X^2=13.249$ ,  $p=.001$ ] of causes of low involvement.

The results of average mean score indicated that over work load (601.31) was the main causes of low employee involvement, followed by job dissatisfaction (590.31) and poor relationship (548.42)

## V. SUMMARY AND CONCLUSION

The main aim of this research was to find out the impact of suggestion system on job involvement. The study attempting to find the positive relationship between implementation of suggestion system and employee involvement. In addition, this research has demonstrated that job dissatisfaction; overwork load and poor relationship leads to lower employee involvement. Thus implementation of suggestion system influences job involvement of employees. Therefore implementing suggestion system, which help to make employees more involved in their jobs, is likely to be important for the efficiency and effectiveness of the organizations.

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