Linkage of Employee Motivation and Employee Performance –
Empirical Evidence on Employee Relationship Management Practices

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Abstract

Employee Relations are born out of “employment relationship” in an industrial setting. It is the Industry which provides the environment for employee relations. The Production and Productivity depends upon the type of Employee Relations in an organization. The overall performance of an Organization is effects when there is existence of Positive Employee Relations. The Internal Communication system, Trust among the employees, Best HR/IR Policies by management, leadership style of the management, Goals of the individuals as well as organization are key factors to affect the relations. There are certain evidences in the literature to engendering the high motivation among the employee so the firm. Hence, the current study emphasized to assess the mediating role of employee motivation over the employee performance in the organizations. The researcher collected 888 samples from Rastreeyalspat Nigam Limited, Visakhapatnam to test the proposed model in this research paper. The respondents profile is explained by using the descriptive statistics such as mean and standard deviation. The proposed hypotheses of the model are tested by using Hayes (2016) mediation analysis. The results evidenced the significant indirect effect in the proposed model.

Key Words: Employee Relations; Trust; HR Practices; Communication System; Shared Goals & Values; Leadership Style; Employee Motivation and Employee Performance

I. Introduction

The concept of ‘Employee relations’ is manifested on the older and traditional industrial relations as it is believed that the scope and significance of employee relations is high compared to the concept of industrial relations[1]. The study of employee relations is aimed to understand the relations between employee
and employer to understand the problems which may arouse between these parties and to find the appropriate solutions to resolve the problem [II]. It is also aimed to expect the high motivation among the workers of the organization leads to the high productivity [III]. The appropriate employee relations help the organizations to communicate the poor performance of the workers and suggest corrective measures for their performance. Employee relations also emphasize on the employee grievances and to solve the different problems related to them [IV]. Further, it is also believed that the effective employee relationship management practices evoke the employee motivation and further leads to employee performance among the employees.

Employee Motivation promotes work place harmony and increased employee performance which can be considered it as a key to long term benefits for the company [III]. The employee motivation can be reflected in the enhanced employee retention rate and loyalty perceptions towards the organizations among the employees [V]. It is observed that, irrespective of the size of the organizations the employee motivation may cause for the growth, development and success of the firms. Hence, it is highly required to understand the role of employee motivation. Further it also required to understand well the role of effective employee relationship management practices and their impact over the employee motivation. Various studies disclosed that the motivation refers to the forces within or beyond a person that arouse and sustain their commitment to a course of action [VI]. According to Sivakoti Reddy, M [VII] Motivation is the willingness to exert high level of efforts to reach organizational goals, conditioned by the efforts and the ability to satisfy.

So in recent each and every organization creating an effective work environment through effective employee relationship management practices that is conducive for improved performance so as to induce right behavior from employees in the organization. In order to motivate their employees the firms must ensure that the working condition must be adequate, the welfare package must be attractive to the employees [VIII]. The performance of an organization is determined by the employees and their willingness to put their best [IX]. Hence, this study emphasized to understand the importance of employee relationship management practices and their outcome of employee motivation. Furthermore aimed to understand the impact of employee motivation over the employee performance.

II. Review of Literature

The studies of [III] revealed about the occurring changes in the employee and employer relations, social system and its clatter with the economic and political system, which in turn had an effect on the industrial relation. Employ relations are defined as “the study of the rules, regulations and agreements by which employees are managed both as individuals and as a collective group, the priority given to the
individual as opposed to the collective relationship vary from organization to organization depending upon the values of management”.

The concept of employee relations management (ERM) believed on a fundamental that to bring the motivation among the workforce of the organizations. It further believed that, motivated employees of the organizations will perform well [IV]. Employee relations management is also considered as an effective strategy which may facilitates to use the accurate methodologies, information and viable technical aspects which may allow the companies to acquire and retain the existing employees. It also helps in train appropriately, organize the workforce, and bring satisfactions by valuing their services to fill their souls with satisfaction towards the concerned organizations. The basic belief to implement all these is the performing employees are considered to be more valuable than the non-performing employees of the organizations [VI].

Employee relationship management always helps the organizations to implement their different strategies to integrate their workforce. This concept works like an appropriate model and creates a common venue for their employees to direct and lead them to achieve their collective targets. In other words, simply employee relationship management can be denoted as the process of managing the things to accomplish the individual employee’s tasks without any ambiguities and confusion and creates a crystal clear about the individual tasks and collective tasks. It also gives the ideas how to attain the concerned goals, objectives and targets of the employees.

The main essence of employee relationship management is to formulate the appropriate practices which are intended to make the employees happy and to be productive. Employee relationship management emphasizes various aspects such as recognizing the employees, policies development for the prosperity of the employees, initiating the problem-solving methods and to set up the dispute resolution mechanism in the organization.Employee relationship is not assumed merely as a technical aspect or a software product but can be considered as a concept which facilitates the smooth functioning in the organizations[VII]. Furthermore, employee relationship management is treated as a mutual benefit programme to both the parties of employees and as well as the management of the organizations. It may yield the high-level of satisfaction among the employees and will be useful to the management in different aspects such as, new talent attraction, old employee retention and effective performance of employees. Hence, sustainability of the organizations depends on the effective implementation of employee relationship management practices[IX]

Effective employee relations will be useful to build the organizational culture, enhancing the morale among the employees and to maintain the cordial work environment[III]. The concept of employee relationship management is useful to the firms to provide the open communication and to encourage the goal-oriented employees of the organizations. Employee relationship management is mainly
focused on to reduce the conflicts among employees and employers. It is also believed that the effective employee relationship management can impact the workforce with creating a certain value in the organizations. The effective employee relationship management practices will help the organizations to nurture the appropriate environment. Based on the past literature which is available on employee relationship management it is stated that, it may give the benefits for both the employees and employers[X]. By considering the numerous studies held in this area, the researcher identified the certain major factors which are drastically affecting the employee motivation and employee performance. The important components of employee relationship management practices are as follows:

II.i. Trust

Trust is a strong factor which influences the performance and efficiency of the organization[I]. Furthermore, the concept of trust is defined as a concept that which cannot be built overnight so trust can be grown or decline or merger again with the relation with the organization. People have a long time to understand company culture whether it’s trust worthy or entrust worthy [III]. Many other studies and researches revealed that the trust has two elements: integrity and reliability. Trust has to be from both side of coin i.e. employee and management if both or one of them don’t trust each other then it will have negative communication[IV].

II.ii. Leadership Style

Leadership is more influential factor in the organization which will be done through managers to employees to boost them to achieve goals and which will affect their performance and company goals[V]. Leadership can be called as management style whose approach is to use the right people for the right work. Leaders can be classified in extremes as follows[VIII].

II.iii. HR/IR Practices

HR/IR Practices is crucial function of Management which can bring change status of ERM in the organization as this function could be quantified and resulted in statistical data to prove its importance in enhancing ERM status in the organization. Hence improved quality and productivity linked to motivation can be achieved through Training, Job rotation, Job Satisfaction, Participative Management, Performance Appraisal, Career planning and development. Better training policies and assessment can improve Satisfaction of employees in the organization. The results on Performance Appraisal imply that for better satisfaction of employees need to have variable pay performance system as Government pay scales to judge the performance of employees hence needs to have proper performance appraisal system for better ERM status in the organization[IX].
II.iv. Communication System

Communication is one of the most important components where comprehensive relations strategy defines and builds trust among employees [II]. With the help of communication company refers the important information to the employees that can be related to business goals, policies; strategies to attain business and maintain the value and work ethics in the organization. Organizational communication can be formal or informal with the clear intention of passing the useful information which gives more clarity about the work, and give platform for the open discussion, flexibility of work shift [VII]. Communication allows the synergy among the employees and it can happen in many ways that can be in the form of face to face communication, meeting, emails and orders or telephonic calls. Communication is very important in any place to know the proper information in organization which finally helps to understand the organization goals [V].

II.v. Shared Goals and Values

In the connection of business a goals is mostly viewed as an important thing in any organization and in the context of shared goals and values employees should be having good relation among each other. Shared goals can be defined as beliefs in common things such as behavior, goals and policies are important or unimportant, appropriate or in appropriate, write or wrong [IV]. Having and sharing of common goals will helps employees to put their efforts towards the goals but for that to happen it is very important that the employees have good collaboration and interdependence because it will impact the overall the performance of the company.

II.vi. Employee Motivation

Motivation is explained as a reason from behavior of the employee’s willingness. Motivation involves the perception of the people and values, interest and actions. Motivation vary person to person, it has up and down according to the physical age of the person and physiological state of the person. It depends on various factors such as family life and education etc. Traditionally the concept of motivation was it has only of internal part of the person but in the modern era many researchers have explained that there are many way to motivate people externally with the speech and counseling which will help to achieve goals and make people happy towards their performance [II].

II.vii. Employees Performance

Employee’s performances are continuously reviewed and ensure that the performance and quality of the work is maintained which will help to achieve the objective of the organization. Management should ensure that the need of the employees and also employees should what is expected from them not in terms of duties or responsibilities but also in the form of performance [III]. There are many
companies who feel that their employees can give a competitive advantage and produce good production which leads to good performance. Employees play a very important role in the organization when it comes to company success and employees’ performance will have a positive impact on the company’s growth. Performance is equally important to the employees for their promotion and enhancement for their career and it will give them self-satisfaction and improvement in their pride. The concept of performance is very serious matter for both the parties because firm / organization keeps on track on your performance and keep on intimation you regarding performance. To achieve goals of the company it is mandatory to keep on examining the performance of the employees, because it will help to tell employees also if they are lacking behind and understand the issues which them to left behind and guide them or if there is lack of skills in particular person then change of department if its required should do so because it will enhance the quality of work and efficiency.

II.viii. Research Gap

Despite the factors affecting the employee relationship management, the research on of employee relationship management factors effect on employee performance towards the steel industry is scarce and show contradictory results. Some practitioners have posited that employee relationship management, specifically in the steel and iron industry is ineffective are not well understood in enhancing the employee performance. Suhasini & Koneru (2019) [IX] suggest that employee relationship management practices do not necessarily foster employee performance and are not cost effective. There is still much controversy over whether the relationship management is an appealing HR tool. Furthermore, the empirical results on the strength and direction of effects on employee behaviour remain limited and contradictory. Conversely, a few studies show that employee relationship management programmes have a positive impact on employee performance.

The divergent views suggested as there a need to understand the concept of employee relationship management in the large-scale industries to be understand much better. There are still no clear indicators as to whether these initiatives are successful with some research supporting the motivation of employees while others are not as supportive in employee motivation [III]. In this connection, little research has investigated about the knowledge, perceptions, feelings, emotions and gratifications, associated with employee relationship management practices in the Indian industry. Therefore, this study emphasized to provide exploratory evidence that how employee responses are associated with employee relationship management affecting factors through employee motivation and further investigates the impact of employee responses on employee performance.
II.ix. Research Design

The available limited literature on employee relationship management, employee motivation and employee performance in the Indian context it is assumed that to adopt qualitative and quantitative approaches to explore and examine the factors affecting employee relationship management, employee participation and employee performance. Author conducted the semi-structured personal interviews with the concerned senior HR managers and consolidated the various qualitative and quantitative variables of the study. The semi-structured interviews which are done with the HR managers, academicians and researchers helped to recognize the determinant factors such as trust, HR/IR practices, communication system, shared goals and values and leadership are the independent variables of the study.

II.x. Hypothesis Development:

Based on the past research in the concerned area mentioned in the employee relationship model development part and the conclusions of the various other related studies, it has been identified this study aims to study the impact of employee relationship factors (Trust, HR/IR Practices, Communication System, Shared Goals & Values, Leadership Style) on employee performance through the mediating variables of employee motivation. Hence, the elaborated description was given below for each hypothesis of the study.

As the study is in exploratory in nature, it is required to frame the hypotheses of this study in the form of null. Hence, the researcher framed the hypotheses in full form as mentioned below:

H1: Employee motivation will not have mediating effect on the determinant factors of employee relationship management on employee performance in relation to:
H1a: Trust; H1b: HR / IR Practices; H1c: Communication System;
H1d: Shared Goals and Values; H1e: Leadership Style

H2: Employee motivation will not have significant effect on employee performance

H3: Determinant factors of employee relationship management will not have significant effect on employee performance in relation to:
H3a: Trust; H3b: HR / IR Practices; H3c: Communication System;
H3d: Shared Goals and Values; H3e: Leadership Style

III. Objectives of the Study

The main objective this study is to provide the comprehensive understanding on the impact of employee relationship management over employee performance through the employee motivation. The other objectives of the study are as follows:

a. To explore the different factors affecting employee relationship management which determines the employee motivation and employee performance?

b. To examine the employee motivation’s mediating effect over trust on employee performance.
c. To assess the employee motivation’s mediating effect over HR/IR Practices on employee performance.
d. To test the employee motivation’s mediating effect over communication system on employee performance.
e. To measure the employee motivation’s mediating effect over shared goals & values on employee performance.
f. To evaluate the employee motivation’s mediating effect over leadership style on employee performance.

III.i. Sampling Technique and Sample Size:
In order to collect the samples, the researcher adopted the simple random sampling method. The employees from the different cadres such as workers, executives and supervisor’s details are taken from their muster roles and the researcher randomly selected 888 samples i.e 28 samples are from supervisors, 273 samples from executives and 587 samples from workers. Hence the total sample size of the study is considered to be 888 only. Further, the researcher approached them physically with a structured questionnaire and requested to respond to the questionnaire. The data has been collected during April – 2018 to June – 2018.

III.ii. Methods of Analysis
The descriptive statistics are aimed to know the frequencies, percentages, means, standard deviations etc. The mediation effect in the model between the independent variables such as, trust, HR/IR practices, communication system, employee relations and leadership style are tested iteratively with the dependent variable of employee performance with the mediation of employee motivation. Hayes (2016) mediation analysis is adopted to test the relationship between the concerned independent, mediating and dependent variables.

III.iii. Data Analysis and Results

III.iv. Demographic Profile of the Respondents:
As the study is in empirical in nature, the researcher collected the primary data from 888 samples from the employees of RashtriyaSpath Nigam Ltd, Visakhapatnam, Andhra Pradesh in India. The data comprises various aspects regarding the respondents of the study. The data is collected form 620 male respondents and 268 female respondents. The consolidated demographic results are presented in the following table – 1.
Demographic Description | Frequency | Percentage
---|---|---
Gender
Male | 620 | 69.82
Female | 268 | 30.18
Age
25 - 35Yrs | 262 | 29.5
35 - 45Yrs | 374 | 42.12
45 - 55Yrs | 183 | 20.61
>55 Yrs | 69 | 7.77
Cadre
Worker | 587 | 66.1
Executive | 273 | 30.74
Supervisor | 28 | 3.15
Span of Experience
0-2 Years | 338 | 38.06
2-5 Years | 352 | 39.64
5-10 Years | 93 | 10.47
>10 Years | 105 | 11.82
Qualification
SSC/Diploma | 312 | 35.14
Degree | 532 | 59.91
Post-Graduation | 44 | 4.95

Table -1 Consolidated Demographic Profiles of the respondents
Source: Primary Data

III.v. Mediation Analysis

Based on the derived results from Hayes (2016) PROCESS Output the researcher tested the five different proposed models in this study. The model wise results are presented in the following subsections.

Model – 1: Assessing the mediation effect of Employee Motivation on Trust over Employee Performance

The hypothetical relationship between trust and employee motivation(path – a) is found to be significant as the beta coefficient is found to be 0.481 and the standard error is 0.026 and the p-value of the concerned path is 0.000. The relationship between employee motivation and employee performance (path – b) is found to be significant as the beta coefficient of the path is 0.661; standard error is 0.039 and the p-value is 0.000. The direct effect (path – c’) in the model is found to be significant as the statistic results elicited the beta coefficient is 0.580; standard error is 0.026 and the p-value of the concerned path is 0.000.
error is 0.034 and the p-value is 0.000. The total effect (path – c) in the model is also found to be significant with the results of their beta coefficient is found to be 0.580; standard error is 0.034 and p-value is 0.000. The derived results proved that all the proposed paths of the model are found to be significant, further it is noted that the direct effect of the model (0.261) is less than the total effect (0.580). Hence, we conclude that there is a mediating effect in the model. The size and the significance of the mediation effect is measured through the indirect effect as its coefficient is found to be 0.318; standard error is 0.027 and the p-value is 0.000. However, the mediation impact of employee motivation on trust over the employee performance is proved in this model.

Model – 2: Assessing the mediation effect of Employee Motivation on HR Policies over Employee Performance

The proposed hypothetical relationship between HR Practices and employee motivation (path – a) is found to be significant. The statistic results elicited that the beta coefficient is found is 0.749 and the standard error is 0.030 and the p-value of the concerned path is 0.000. The relationship between employee motivation and employee performance (path – b) is found to be significant as the beta coefficient of the path is 0.580; standard error is 0.043 and the p-value is 0.000. The direct effect (path – c’) in the model is found to be significant as the statistic results elicited the beta coefficient is 0.418; standard error is 0.049 and the p-value is 0.000. The total effect (path – c) in the model is also found to be significant with the results of their beta coefficient is found to be 0.853; standard error is 0.041 and p-value is 0.000. The derived results proved that all the proposed paths of the model are found to be significant, further it is noted that the direct effect of the model (0.418) is less than the total effect (0.853). Hence, we conclude that there is a mediating effect in the model. The size and the significance of the mediation effect is measured through the indirect effect as its coefficient is found to be 0.434; standard error is 0.049 and the p-value is 0.000. With this evidences we conclude that the mediation impact of employee motivation on HR Practices over the employee performance is proved.

Model – 3: Assessing the mediation effect of Employee Motivation on HR Policies over Employee Performance

The relationship between communication system in the organization and employee motivation it tested through path – a and the it is found to be significant. The statistic results of the concerned path revealed that the beta coefficient is found is 0.520 and the standard error is 0.037 and the p-value of the concerned path is 0.000. The relationship between employee motivation and employee performance (path – b) is found to be significant as the beta coefficient of the path is 0.721; standard error is 0.037 and the p-value is 0.000. The direct effect (path – c’) in the model is found to be significant as the statistic results elicited the beta coefficient is 0.224; standard error is 0.042 and the p-value is 0.000. The total effect (path – c) in the model is also found to be significant with the results of their beta coefficient is found to be 0.600;
standard error is 0.044 and p-value is 0.000. The derived results proved that all the proposed paths of the model are found to be significant, further it is noted that the direct effect of the model (0.224) is less than the total effect (0.600). Hence, we conclude that there is a mediating effect in the model. The size and the significance of the mediation effect is measured through the indirect effect as its coefficient is found to be 0.375; standard error is 0.037 and the p-value is 0.000. With this evidences we conclude that the mediation impact of employee motivation on communication system in the organization over the employee performance is proved.

Model – 4: Assessing the mediation effect of Employee Motivation on Shared Values and Goals over Employee Performance

The relationship between shared values and goals in the organization and employee motivation it tested through path – a and the it is found to be significant. The statistic results of the concerned path revealed that the beta coefficient is found is 0.272 and the standard error is 0.034 and the p-value of the concerned path is 0.000. The relationship between employee motivation and employee performance (path – b) is found to be significant as the beta coefficient of the path is 0.778; standard error is 0.034 and the p-value is 0.000. The direct effect (path – c’) in the model is found to be significant as the statistic results elicited the beta coefficient is 0.146; standard error is 0.036 and the p-value is 0.000. The total effect (path – c) in the model is also found to be significant with the results of their beta coefficient is found to be 0.358; standard error is 0.044 and p-value is 0.000. The derived results proved that all the proposed paths of the model are found to be significant, further it is noted that the direct effect of the model (0.146) is less than the total effect (0.358). Hence, we conclude that there is a mediating effect in the model. The size and the significance of the mediation effect is measured through the indirect effect as its coefficient is found to be 0.211; standard error is 0.030 and the p-value is 0.000. With this evidences we conclude that the mediation impact of employee motivation on shared values and goals over the employee performance is proved.

Model – 5: Assessing the mediation effect of Employee Motivation on Leadership Style over Employee Performance

The relationship between leadership style in the organization and employee motivation it tested through path – a and the it is found to be significant. The statistic results of the concerned path revealed that the beta coefficient is found is 0.462 and the standard error is 0.031 and the p-value of the concerned path is 0.000. The relationship between employee motivation and employee performance (path – b) is found to be significant as the beta coefficient of the path is 0.676; standard error is 0.036 and the p-value is 0.000. The direct effect (path – c’) in the model is found to be significant as the statistic results elicited the beta coefficient is 0.324; standard error is 0.037 and the p-value is 0.000. The total effect (path – c) in the model is also found to be significant with the results of their beta coefficient is found to be 0.637; standard error is 0.040 and p-value is 0.000. The derived results proved that all the
proposed paths of the model are found to be significant, further it is noted that the direct effect of the model (0.324) is less than the total effect (0.637). Hence, we conclude that there is a mediating effect in the model. The size and the significance of the mediation effect is measured through the indirect effect as its coefficient is found to be 0.211; standard error is 0.030 and the p-value is 0.000. With this evidences we conclude that the mediation impact of employee motivation on leadership style over the employee performance is proved.

**Table – 2:** Mediation Results Summary based on Hayes (2016) Mediation Analysis:

| Hypotheses Tested | X->M  
| a=Coeff of X a ;SE(a) ; p | M-> Y  
| b=Coeff of M b; SE(b) ; p | Total Effect  
| X->Y  
| c=Coeff of X c;SE(c) ; p | Direct Effect  
| X,M -> Y  
| Coeff of X c', SE(c'); p | Indirect Effect  
| Coef*; (SE)**; p |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| H1_{a0}; H2_{a0} & H3_{a0} | 0.481, 0.026,0.000 | 0.661, 0.039, 0.000 | 0.580, 0.034, 0.000 | 0.580, 0.034, 0.000 | 0.318, 0.027, 0.000 |
| H1_{b0}; H2_{b0} & H3_{b0} | 0.749,0.030, 0.000 | 0.580, 0.043, 0.000 | 0.853, 0.041, 0.000 | 0.418, 0.049, 0.000 | 0.434, 0.049, 0.000 |
| H1_{c0}; H2_{c0} & H3_{c0} | 0.520,0.033, 0.000 | 0.721, 0.037, 0.000 | 0.600, 0.044, 0.000 | 0.224, 0.421, 0.000 | 0.324, 0.037, 0.000 |
| H1_{d0}; H2_{d0} & H3_{d0} | 0.272,0.034, 0.000 | 0.778, 0.034, 0.000 | 0.358, 0.044, 0.000 | 0.146, 0.036, 0.000 | 0.312, 0.030, 0.000 |

*Independent variables: Trust, HR Policies, Communication System, Shared Values and Goals, Leadership Style.

**Mediating variable: Employee Motivation

***Dependent Variable: Employee Performance

**IV. Discussion of Results & Implications**

Discussion for Mediation effect in the Model of TrustEmployee Motivation Employee Performance:

According to Hayes (2016) mediation analysis, the model predicted that the path a, path b and path c’ is found to be significant as their p-values are less than 0.05. Further, it is also noted that the direct effect of the model (0.261) is less than the total effect (0.580). Hence, we conclude that, there is a partial mediation is evidenced in the model. To determine the size and significance of the mediation effect in the proposed model, the indirect effect results is considered and found to be significant.
The regression coefficient is 0.3185 and the standard error is 0.0277. The results implying indirect effect of trust on employee performance through employee motivation and evidenced the partial mediation.

Discussion for Mediation effect in the Model of HR Policies Employee Motivation Employee Performance:

According to Hayes (2016) mediation analysis, the model predicted that the path a, path b and path c’ is found to be significant as their p-values are less than 0.05. Further, it is also noted that the direct effect of the model (0.434) is less than the total effect (0.853). Hence, we conclude that, there is a partial mediation is evidenced in the model. Further the indirect effect is also determined in the model and the regression coefficient is 0.434 and the standard error is 0.491. Hence, we imply that the indirect effect of HR/IR practices on employee performance through employee motivation and evidenced the partial mediation.

Discussion for Mediation effect in the Model of Communication System Employee Motivation Employee Performance:

According to Hayes (2016) mediation analysis, the model predicted that the path a, path b and path c’ is found to be significant as their p-values are less than 0.05. Further, it is also noted that the direct effect of the model (0.421) is less than the total effect (0.600). The indirect effect of the model is found to be significant with the regression coefficient is 0.375 and the standard error is 0.037. These results evidenced that the indirect effect of Communication system on employee performance through employee motivation and evidenced the partial mediation.

Discussion for Mediation effect in the Model of Shared Values & Goals Employee Motivation Employee Performance:

According to Hayes (2016) mediation analysis, the model predicted that the path a, path b and path c’ is found to be significant as their p-values are less than 0.05. Further, it is also noted that the direct effect of the model (0.146) is less than the total effect (0.358). Hence, we conclude that, there is a partial mediation is evidenced in the model. The regression coefficient of indirect effect is 0.211 and the standard error is 0.030. These results supported to determine that the indirect effect of shared values and goals on employee performance through employee motivation and evidenced the partial mediation.

Discussion for Mediation effect in the Model of Leadership Style Employee Motivation Employee Performance:

According to Hayes (2016) mediation analysis, the model predicted that the path a, path b and path c’ is found to be significant as their p-values are less than 0.05. Further, it is also noted that the direct effect of the model (0.324) is less than the total effect (0.637). Hence, we conclude that, there is a partial mediation is evidenced in the model. The indirect effect of the model is also found to be significant with the regression coefficient of 0.312 and the standard error is 0.030. Overall, it is implied
that the indirect effect of leadership style on employee performance through employee motivation and evidenced the partial mediation.

IV.i. Implications of the Study

The empirical investigation of this research revealed that the proposed independent variables i.e trust, HR/IR practices, communication system, shared goals and values, leadership style, the mediating variable employee motivation and the dependent variable of employee performance are testable factors in the context of employee relationship management practices in Indian context. This research provided a complete and comprehensive understanding about the relationship between the proposed independent, mediating and dependent variables.

IV.ii. Limitations of the Study

The present research study has been encountered a few limitations. This study is limited to RashtriyaIspat Nigam Limited; Visakhapatnam in the state of Andhra Pradesh only. The study subjects were employees, who are above 25 years old and the different cadres of workers, executives and supervisors. Employee relationship management factors were limited to trust, HR/IR practices, communication system, shared goals & values and leadership style. The study is confined only to the mediating variable of employee motivation based on previous research and findings of the own pilot study.

IV.iii. Directions for Further Research

Some of these limitations may be used as directions for future research in this area and related areas of the present study are doing investigation of new dimensions of employee relationship management and psychographics of employee performance with the use of multidimensional scaling may be considered for future research in this area. The different attributes of the employee relationship management can be taken into the consideration apart from the mentioned variables in the study. More dimensions for measuring employee performance to be examined. For instance, the impact of determinant attributes on private sector steel plants.

V. Conclusions

In conclusion, motivated employees not only influence their work performance but also the whole organization performance and business productivity. Every member in the organization has some requirements and expectations from the organization from the first day he/she join the company. He/she might not be aware of how to achieve these needs and goals, and here the role of the line manager and the division manager comes in the picture. To be a motivator, it is important to be a leader in order to discover what really motivates employees and it is necessary to discover the fundamental needs of the employees (Freeman, & Stoner, 1992).
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