



Ethical Activities Among Employees In Automotive Industries

* Dr. C. Swarnalatha ** S. Raju *** G. Sureshkrishna

* Professor & Head, Dept of Management Studies, Anna University of Technology Madurai

** Director Dept. of Management Studies, The American College, Madurai

*** Full Time Research Scholar, Anna University of Technology Madurai

ABSTRACT

Ethical activities are plentiful in HRM. Ethical activity makes employees to know about the activities and functions taking place in their organization. It is important for a manager to implement a proper ethical activity in the organization. Managers have the potential to change and fundamentally alter the course of other people's lives. Therefore the ethical activity taken by the manager must have to maintain in a harmless way. Fair ethical activity in the organization brings employees feel a trust with the managers. This paper explains the ethical activities followed in different automotive industries in Madurai and a study was conducted among the employees about how HR managers make organization a successful one through proper ethical activity.

Key word : Job satisfaction, Ethical activity, Employee training

Introduction

Ethics can be defined as "one set of rules of morality, one code that of individual behavior in which the same rule applies to every one alike" (Peter F. Drucker). Being personally ethical means acting in accordance with one's own personal code of ethics. Ethical dilemmas arise when one's own ethical standards conflict with those of some other entity. The liberalization and globalization being sweep changes in the concept of doing business, but the major by-product like corruption, favoritism and nepotism, deterioration of human values, series of scam in business, government policies and society are also produced in the 21st century. There is a loss of faith in instruments of society. Day by day innocent Indians are losing their faith in laws, courts and government. Ethical issues are more critical today than they have ever been. Employees in the automotive industry have to follow the rules and guidelines taken by their managers. Thus the concept of ethics is applied to employees in the automotive industry as they have freedom of choice and means of free will. This surely brings a satisfaction among the employees in their job and it automatically improves the productivity of the organization.

HR - a change Agent

The HR can act as a change agent. The HR leader is responsible for changing the ethical climate of the organization. HR leader initiates action and can educate the employees in building the organization to a successful path. HR leaders are well accepted if they are able to convince the business leaders of the ways and means of managing people that will add value to the profitability of the

organization. The business leader is the "head" of the organization while the HR leader is its "heart". The roles may be distinct yet intertwined and therefore, capable of generating impact. A perfect balance in the organization is possible only when these two elements (head and heart) work in perfect rhythm. Vibrant, courageous and charismatic business leaders would look for similar characteristics in their HR leaders as well. Being the "heart" of the organization, HR leaders would sometimes be expected to be the "Captain Freedom" of the company, a Superhero with awesome strength.

Objectives of the study

The following are the specific objectives of the study.

- To study the process of selection of staffing and training.
- To examine the process of reward and disciplinary systems.
- To study whether workers are discriminated or harassed.

Ethics Conceptual framework

Ethics is important for the overall health of the organization. Poor ethics can be extremely damaging to organizational performance. It blinds the organization to the realities of the environment leaving it valuable to set back that could be avoided. Good ethics, on the other hand, have a beneficial effect on organizational well being. It helps in productivity improvement, risk reduction, better relations with customers and clients, and an increasing flow of communication. Hence organizations need ethics not only to prevent unhealthy behavior but also to inspire superior performance and provide satisfaction.

Importance of ethics in automotive industry

The importance of ethics in automotive industry is discussed as follows:

1. Corresponds to basic Human needs.

The basic need of every human being is that they want to be a part of the organization which they can respect and be proud of, because they perceive it to be ethical. Every body likes to be associated with an organization which the society respects as a honest and socially responsible organization. The HR manager has to fulfill this basic need of the employees as well as their own basic need that they want to direct an ethical organization. The basic needs of the employees as well as the managers compel the organization to be ethically oriented.

2. Credibility with the employees.

When employees are convicted of the ethical values of the organization they are working for, they hold the organization in high esteem. It creates common goals, values and language. The HR manager will have credibility with the employees just because the organization has credibility in the eyes of the public. Perceived social uprightness and moral values can win the employees more than any other incentive plans.

Literature Review

Paine (1991) found that questionable intelligence-gathering fell into four categories: (1) misrepresentation (2) attempts to influence the judgment of those entrusted with confidential information through such means as bribery (3) covert surveillance and (4) theft. Meetings of CI professionals invariably touch upon ethical bases of performing their profession. The inclusion of ethics on the agenda was prompted by the importance of the issue to the CI community, and the belief that ethical lapses by CI practitioners often result from ignorance rather than intent Spia-Bosch and Tancer (1998).

Trevino and Weaver (1999) concluded that current ethical guidance was too vague to be truly helpful. Informal discussions with CI practitioners will show this finding to have a high degree of face validity. What then can be done to address these ethical concerns? Yu and moon (2004) found that the ethical management is more complex and dynamic when managers take the corporate missions and responsibilities for improving organizational performance as well as satisfying stakeholder's needs and wants. Goddin (2003) concluded that ethical behavior must have to be encouraged by the managers and it will lead to the satisfaction of the employee in his job. Vaseline dickov (2011) discusses the roots of modern concepts of business ethics. The study takes business ethics as part of profit maximization. The reason for this is that customers of businesses which follow ethics are loyal and satisfied with the services and product offering of such businesses. Riitta suhonen (2011) in his study focuses on ethical challenges, dilemmas in practice, employee moral distress and ethical climates or environments and concluded that role of HR played a crucial role in building ethical climate among the employees in an organization.

Methodology

The study uses for both primary data and secondary data. Primary data are collected through a structured questionnaire. The questionnaire was mainly based on the objectives of the study and a set of questionnaire was circulated to employees. The secondary data are collected through books, magazines and journals

Analysis and Interpretation

The researcher used a questionnaire for collecting the data, which were transferred to simple table. Then data were

tabulated and analyzed.

Table 1: Employees Training

Opinion Of The Respondent	No.Of Respondent	Percentage
Satisfied	56	80
Neutral	13	19
Dissatisfied	1	1
Total	70	100

Inference: It is inferred that 80% of the respondents satisfied with training given by the managers in the automotive industries and 1% of the respondents are dissatisfied because they feel that training methods are not of a good standard.

Table 2: Employee Staffing And Selection

Opinion Of The Respondent	No.Of Respondent	Percentage
Satisfied	32	46
Neutral	15	21
Dissatisfied	23	33
Total	70	100

Inference: It is inferred that 46% of the employees are satisfied because they are feeling that the selection and staffing process is fair and 3% of the employees are dissatisfied because they feel some sought of bribery is taking place in the employee selection and staffing process.

Table 3 Employer Employee Relations

Opinion Of The Respondent	No.Of Respondent	Percentage
Satisfied	33	47
Neutral	27	39
Dissatisfied	10	14
Total	70	100

Inference: It is inferred that 47% are satisfied with the cordial relationship followed between the employer and employee. 14% are dissatisfied because their disputes were not redress by the manager.

Table 4: Relationship Between Respondents Job Satisfaction And Nature Of Job According To Employees.

Frequency Of Job	Satisfied	Neutral	Dissatisfied	Total
Sometimes	34	28	0	62
Never	6	2	0	8
Total	40	30	0	70

Hypothesis :

There is no significant relationship between level of labour management relation and job satisfaction.

Chi-Square Test = $(O_i - E_i)^2 / E_i$

O_i = Observe Frequency

E_i = Expected Frequency

Expected Frequency (E_i = Row Total * Column Total / Grand Total)

Chi-Square = 1.173

Degrees Of Freedom = (No. Of. Rows - 1) * (No. Of. Columns - 1)

= 1*2

= 2

Table Value of Chi Square At 5% Level = 5.991

Chi Square Value < Table Value of Chi - Square

Inference:

The calculated value of chi- square is greater than the table value at 5% level of significance. Hence the null hypothesis (h₀) is rejected and concludes that there is significant relationship between respondents Job satisfaction and nature of job according to employees.

Findings

- 80% of the respondents satisfied with training given by the managers in the automotive industries and 1% of the respondents are dissatisfied because they feel that training methods are not of a good standard.

- 46% of the employees are satisfied because they are feeling that the selection and staffing process is fair and 3% of the employees are dissatisfied because they feel some sort of bribery is taking place in the employee selection and staffing process.
- 47% are satisfied with the cordial relationship followed between the employer and employee. 14% are dissatisfied because their disputes were not redressed by the manager.
- The findings of the research study show that the automotive industry is employing a fair ethical activity to the employees. Employees are feeling satisfaction in their job and the rewards to their work are amazing. This also increases the motivation of the employee to concentrate on his work and the HR managers are giving him support to contribute to the organization.

Suggestions for Future Research

This work represents just a first step in Research on ethical activities. There are many unanswered questions and further research will bring answers to the problems. We

have taken a small sample size for the study. For future research, we can take large sample size. The methodology needs to be implemented with different methods for future research. Survey has to be taken among the HR managers for showing their leadership skills, motivation towards employee, training methods and other techniques they are taking to solve the ethical problems.

Conclusion

Ethics is a complex subject and its history is filled with diverse theories that are systematically refuted by rival theories. So, we should expect to find controversies when applying ethics to the specific practices of business. The HR manager who is a member of the top management team can influence and sometimes bring about changes in the ethical culture of the organization. Ethical behavior has to be encouraged among the employees by the managers and it will develop a quality work environment. If the work environment is good employees will be automatically engaged in their work and the production will also increase. So automotive industry is bringing a fair ethical environment to their employees and it shows the success through their ethical activities.

REFERENCES

- Paine, W (1991). Divergent stakeholder theory. *Academy of management review*, 24(2), 233-236. | Fredrick, Post and Davis (1992). *Business and society*, McGraw Hill. | Pfeffer, J. (1992). Understanding power in organizations, *California Management Review*, 34(2), 29. | George.A; Steiner and John.F.Steiner (1997). " *Business, Government and Society*, McGraw Hill. | Blyton ,P & Turnbull (1998). *The dynamics of employee relation* 2nd edition, Basingstoke, macmillan. | Rowan.J.R (2000). *The moral foundation of employee rights*, *Journal of Business Ethics*, 24(2): 355-361. | Greenwood.M.R (2002). *Ethics and HRM : a review and conceptual analysis*. *Journal of business ethics*, 36(3), 261-279. | Goddin (2003). *The moral foundation of employee rights*, *Journal of Business Ethics*, 24(2), 355-361. | Vaseline dickov (2011). *Strategy and ethical management of Human Resources*. *Human Resource Management Journal*, 6(1), 5-18.