



## Employees Morale in Times of Economic Slowdown

### KEYWORDS

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**ABSTRACT** *The economic slowdown in the last 4 years impacted the world economies and the individuals alike. The slowdown results in decrease of all activities including moral and enthusiasm. The study highlights the morale of employees working in Industrial units of India during the economic slowdown period. . The study has taken a sample of employees from the Industrial establishments at Aurangabad. The study found that, there is a negative impact of slowdown on morale of employees.*

### Introduction:

Morale is a widely used term; it generally refers to a feeling of enthusiasm, zeal, and confidence in individuals or the group and how they do the tasks assigned to them. An employee's enthusiasm for his job reflects his attitude of mind to work, it also reflects attitude towards the environment and his employer. It is the willingness to strive for the goals set for him by the organization in which he works.

The emotions, feelings, sentiments, attitudes, and motives – all these combine and lead to a particular type of behavior on the part of an individual or his group; and this is what is referred to as employee morale or group morale. "Morale is the overall attitude of an individual or groups collectively towards all aspects of their work- the job, the company, the supervisor, fellow workers, working conditions etc. It is the summation of attitudes of employees."

If workers appear to feel enthusiastic and optimistic about group activities, if they have a sense of mission about their job, if they are friendly with each other, they are described as having a good or high morale. If they seem to be dissatisfied, irritated, cranky, critical, restless and pessimistic, they are described as having poor or low morale. The morale is the outcome of many influencing factors present in the environment. "Morale is a direct function of the conditions in the workplace, cleaner, safe, comfortable and pleasant work environment are morale booster. Generally it is believed that, high morale will lead to high productivity."

The present paper attempts to assess the impact of slow-down on the morale of the employees. The assessment of morale is done keeping in mind the objectives of the paper.

### Objectives:

The main objective is to gauge the effect of economic slow-down on employee morale. The purpose is to analyze their perception on different aspects of morale.

### Methodology:

The present study is based on primary data which has been collected from the selected industrial units situated in different industrial areas of MIDC at Aurangabad namely Chikalthana, Shendra, Waluj and Paithan. A questionnaire with closed ended option was administered for data collection. The target for the present study was 100 employees. But the total responses received were 90. The data collected through questionnaires was classified, tabulated and presented for analysis and interpretation.

### Sample:

The employees working in different industrial units of Aurangabad are well over 60,000. From them a sample of 90

employees is taken for the present study.

### Scope and Limitations:

The study is based on the employees of the selected sample industrial units. The area of study is limited to the industrial areas of MIDC in Aurangabad. The period of study is for 4 years 2008-09 to 2011-12.

### Data Analysis and Discussion:

#### Table No.1 Opinion of Respondents on Due to fear of recession the efficiency decreased.

Due to fear of Recession Efficiency Decreased	No. of Employees	Percentage
Yes Very Much	20	22.22
Yes to Some Extent	55	61.11
Not at all	15	16.67
TOTAL	90	100

On the observation of above table it is noted that, in all 83.33% employees feel that, due to recession there is decrease in efficiency. 22.22% feel the effect is very much. 61.11% feel the decrease in efficiency is to some extent. 16.67% respondents opined that, there is no effect at all on their efficiency. Since, majority feel that, due to the fear of recession their efficiency decreased.

#### Table No. 2 - Opinion of employees – Are they looking for Job

Looking For Job	No. of Employees	Percentage
Yes	72	80.00
No	18	20.00
TOTAL	90	100

The details of the above table reveals that, 4/5 of the employees are looking for alternate jobs due to uncertainty in their companies. Majority believe that, they need Jobs. It is means they are not having satisfactory or secured job at present. A minority of 20% disagreed and said that, they are not looking for jobs.

#### Table No. 3 - Employees opinion on – Their Company is much better than others

Agree That Co. Much Better Than Others	No. of Employees	Percentage
Yes	55	61.11
No	35	38.89
TOTAL	90	100

In the table given above, the perception of employees on their company being much better than others, shows that, majority of them are in agreement. More than 3/5 shares the view that, their company is better than others. About 2/5<sup>th</sup> expressed disagree

**Table No.4-Opinion of Employees on – Secured Job offered with less pay - will you join?**

Secured Job offered with Less Pay will you join	No. of Employees	Percentage
Yes	46	51.11
No	44	48.89
TOTAL	90	100

The analysis of the above table shows that, majority constituting 51.11 % agreeing to the statement, while 48.89% disagreed with the statement. Majority employees are desperate and feel that, they may switch over to other if job is secured and even if less pay is offered. This suggests that, people prefer secured job even a with low pay than unsecured job having better salaries

**Table No. 5 - Opinion of Employees on if secured job is offered will they switch over**

If Job offered will you Switch Over	No. of Employees	Percentage
Yes	74	82.22
No	16	17.78
TOTAL	90	100

The above table presents the perception of employees about the offer of job. The majority believes that, they will switch over. More than 4/5<sup>th</sup> agrees while less than 1/5 says no.

**Table No. 6 - Employees' opinion on – slowdown results in low motivation**

Agree that Slowdown Results in Low Motivation	No. of Employees	Percentage
Yes	64	71.11
No	26	28.89
TOTAL	90	100

The slowdown has impact on the morale of employees. On a question of slowdown n results in low motivation, majority more than 71% agreed to the statement. It indicates that, they observed low motivation during the period of slowdown. The net result is that, there is low motivation and low morale in slowdown times.

**Table No. 7 - Employees' opinion on satisfied from present job**

Satisfied with Present Job	No. of Employees	Percentage
Yes Fully	25	27.78
Yes Partially	51	56.67
Not Satisfied	14	15.56
TOTAL	90	100

The opinion of employees on the job satisfaction show a mixed response. About 27% are fully satisfied and 57% are partially satisfied. About 15% employees are not satisfied from the present job. Despite the lower level of morale due to slowdown employee prefer to express satisfaction to some extent in majority.

#### CONCLUSION:

The economic slowdown at global level has sent an alarm to all the ventures across the globe. However, the impact is not in all the sectors and areas at uniform scale. The affect is of varying degrees in sectors and regions. The present study has considered employees of industrial establishments in and around Aurangabad. The slowdown has not resulted directly in retrenchment but there are number of sample units where the annual increments are freezed. On the front of employee morale it is observed that, due to prevailing fear psychosis employees are looking for secured jobs, even they are ready to join the secured job with less pay. The impact of slowdown is more psychological as employees feel that their morale are not high and they are afraid that, their organizations may come in the grip of recession, despite the fact that, majority feel that, their organizations are doing well. The slowdown consequently affecting the employees and they confirmed that, they are less motivated these days.