

# Impact of effective grievance redressal mechanism on employee morale

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**Abstract - Purpose** – According to previous research, grievance redressal policies were not introduced before which led to an increase in conflicts and they were biased in terms of gender as well as authoritative that is top level managers could not be questioned if there were even basic issues in the company which were needed to be resolved by them. The current studies introduce pathbreaking policies which protect the employees and give them a chance to suggest new policies and better productivity in terms of work life balance.

**Research Implications-** This paper gives us an understanding on the effect of creating a good grievance mechanism in workplaces and how does it affect the behaviour of an employee. Employees are essential building blocks for businesses as they develop and implement their strategies. Organizations with a culture that encourages a supportive and friendly work environment will outperform their competitors. This is because genuine and total commitment can only occur or develop when employees see themselves as part of the organization's family and it will help managers to improve organisational culture. Better grievance redressal mechanisms improve work life balance and lead to lesser biases.

**Research Findings-** The major findings of this research were that this grievance mechanism is the same as Maslow's need hierarchy which classifies a category called physiological needs which are the basic needs like food, clothing shelter etc. When we talk about grievances, they are the basic rights of an employee because if an employee cannot raise a complaint, then he does not belong in that organizations. Also, Organizations that value their employees' input, recognise their efforts, and care about their overall well-being will create an environment that encourages pleasant and effective relationships between and among employees.

**Research Methodology-** The researcher has relied on secondary sources of data like Scopus indexed papers.

**Index Terms** - physiological, grievances, relationships, mechanism.

## I.INTRODUCTION

An employee's dissatisfaction with the job and its nature is expressed through a grievance. The major reason of a grievance is a misalignment between the employee's expectations and management behaviour. The majority of grievances cause significant distress to the employee, and all supervisors are unable to resolve the issues on their own. As a result, companies must have an effective grievance management mechanism in place. (Dhanushya et al., 2018).

While grievance management may not be able to resolve all of an employee's workplace issues, a realistic approach to employee dissatisfaction management will provide a forum for employees to seek redress in a pleasant working environment (Godbless et. al., 2020).

According to a study, resolving grievances is crucial for an organization's efficiency to improve. The comparison result depicts two cellular provider businesses' grievance management procedures (Tiwari & Singh, 2019).

### Hero Honda Splendor case study

The case study was related to the factory workers of the Hero Honda Splendor which is the world's largest motorcycle selling more than million units per year. The strike hit the Gurgaon plant on 10th April 2006 and there were 4000 casual workers who were involved in the strike. There were 4000 contract workers and 1200 permanent workers at the plant during the strike. Management and contractors are both complicit in the abuse of contract workers. The striking workers were protesting for a 30% pay increase, two days of casual leave per month and medical benefits. The management needs to establish a good rapport with its employees and ensure there is a better- and well-established system of communication between both the employees and the

management. The company should adopt an open-door policy wherein the employees do have the right to question their superiors.

Evolution of Grievance redressal mechanisms over the past

There were some labour laws which were made by the government to deal with grievances of the employees and they were:

The Industrial Disputes Act of 1947 - Any employer of an industrial project with 50 or more employees is required to establish a grievance settlement body for the resolution of industrial disputes involving a single employee.

The Factories Act of 1948 -Under the industries act, the Indian government established welfare and safety officers. This act requires the appointment of a Welfare Officer in every factory with a workforce of 500 or more employees.

The Sexual Harassment at The Workplace (Prevention, Prohibition and Redressal) Act 2013 – Another reason of dissatisfaction among female employees is sexual harassment at the workplace. As a result, the Indian government took action. It stated that any aggrieved woman may file a complaint of sexual harassment at work with the Internal Committee, if one exists, or the Local Committee, if one does not exist, within three months of the date of the incident, or within three months of the date of the last incident in the case of a series of incidents.

Whereas as of now in the future grievance mechanisms are much advanced and there have been committees set up to handle such issues. The employees can give their suggestions regarding this to the company which is a big step going forward.

According to a survey which was conducted on the grievance mechanism of Ayushman Bharat India scheme between September and November 2019, In India, around 47% of hospitals scored the Ayushman Bharat scheme a 3 for grievance redress. About 13% of people gave it a perfect score of one. On the other hand, 20% chose the opposite end of the scale, which was attributed to inefficiency, with a score of five (Statista,2020).

#### 1.Research objectives

- To study the various policies or dimensions related to handling grievances in a company

- To study the effects of grievance mechanism on the morale of an employee
- To study the process of grievance redressal mechanism

#### 2.Research Questions

- How effective are the policies in solving a grievance in the company?
- What is the best way to boost an employee's morale when they have a grievance?
- Can Grievance mechanisms be related to Maslow's Need Hierarchy?

#### 3.Hypothesis

H<sub>1</sub>: There is a significant impact of effective grievance redressal mechanism on employee morale.

#### 4.Scope of the Topic

If an employee has a grievance, there are committees in place to address it, and the HR department, in particular, plays a key role in resolving it. When open door policies are implemented, creativity increases, and the employee's morale and performance in the workplace improves.

#### 5.Limitations of the Research

"The study is based only on secondary data from books, journals, newspaper articles, websites etc. Which may work as a limitation of the study". Grievances ideally should be solved by immediate managers or a top-level manager but if the manager has a bias towards a certain employee a grievance cannot be raised against that manager. This viewpoint has not been focussed on by the researchers.

## II.REVIEW OF LITERATURE

Grievance refers to any genuine or imaginary feeling of dissatisfaction or injustice which an employee experiences about his job and its nature, about the management policies and procedures which are expressed by the employee and brought to the notice of the management and the organization (Juneja, 2018). Grievance lower employee's morale and efficiency, and when unattended to, result in frustration, dissatisfaction, low productivity, lack of interest in work, absenteeism (Juneja, 2018). Effective employee grievance management is vital for effective

harmonious labour management relationship which helps to enhance organizational performance. It is recommended among others that grievances should be handled as quickly as possible as they are reported in order to ensure that the negative consequences of unresolved grievance are drastically reduced in the workplace (Obiekwe and Eke 2019). The employee's overall presentation commonly mirrors the lesson of the organization. In comparison with administration cheerful employees speak positively about organization and they reinforce the workplace and increment the worker's spirit and representative's fulfilment (Singh, Jain 2020). Low morale can be attributed to many factors such as job insecurity, lack of fair compensation policy, uncertain business conditions, and excessive outsourcing practices (Sauermaann & Cohen, 2021). Low morale is an outcome of managerial behavior where managers address their employees from a top-down command and refuse to communicate directly on workplace issues (Sauermaann & Cohen, 2021).

### III. VARIOUS DIMENSIONS/ POLICIES TO SOLVE GRIEVANCES

There are some methods which help in quick and a satisfactory resolution of employee grievances. These policies are mentioned as below:

#### 1. Collective Bargaining

Collective bargaining is the institutional processes by which union workers and their management or employers negotiate with the aim of determining the appropriate terms and conditions of workers employment. It is the process through which agreement between management and workers is reached with regards to wages, working hours and working conditions of employees at the organization (Poole and Warner, 2020). Collective bargaining helps to counterbalance the undue advantage that employers have when employees collectively negotiate or make their demands.

#### 2. Open door policy

An open-door policy allows employees unrestricted access to top management offices. Employees can lodge complaints or submit suggestions that they believe will help the company move forward. It enables an employee to approach top management and discuss issues such as job performance, co-worker

conflicts and ideas for business improvement (Francis, 2018).

#### 3. Exit interviews

Exit interviews as offering a deeper look at the workplace's culture, day-to-day processes, management solutions and employee morale. From the definitions above, it can be gathered that in an exit interview, ideas are exchanged or information is shared and mostly through face-to-face interaction. Therefore, such an interview cannot be ignored looking at its outstanding purposes in the organization (Muller, 2020)

Nearly three-quarters of organizations conduct employee exit interviews. This means that senior management or leadership should be responsible for interviewing terminating employees. Of those, 70.9% had their Human Resource departments handle the process and 19% had the departing employees' direct supervisors do it (Heathfield, 2019).

#### 4. Gripe Boxes

These are boxes where employees can anonymously file complaints regarding the sources of their unhappiness with their employers. It differs from the recommendation plan approach, in which employees provide specific proposals in exchange for monetary compensation (Dhanabhakym, M., & Monish, P. 2019)

#### 5. Grievance Procedure

It is one of the most significant ways for employees to voice their discontent. It also aids management in keeping track of key diagnostic data on the health of the organisation. As a result, having a grievance system in place to handle complaints is critical (The Grievance Procedure Explained - AIHR, 2020).

### IV. ESSENTIALS OF A GOOD GRIEVANCE REDRESSAL SYSTEM

Timely Action – Management should ventilate the grievances as and when they arise. They should be nipped

in the bud. For this purpose, supervisors should be trained in recognizing and handling the grievances promptly.

Acknowledgement of Grievance – Once the grievance is filed, management should register it and grievant

should be assured that it would be attended to. Identifying the Problem – The supervisor has to diagnose the problem. Collecting Facts – Once the problem is figured out, the supervisor should collect all relevant facts and profile relating to the grievance. Analysing the Cause – Supervisor has to get to the root of the problem. It involves studying various aspects of grievance like employee's past history, frequencies of occurrence, management practices, union practices etc. Thus, identification of the cause helps the management to take remedial actions. Taking Decision – Various alternative courses of action are worked out. These are evaluated in view of their consequences on the aggrieved employee, the union and the management. Final decision suited to a given situation is arrived at. Implementing the Decision – The decision taken should be communicated to the grievant and implemented by the authority ((Grievance: Meaning, Definitions, Procedure, Types, Model, Features, 2020)

#### VI. FINDINGS

From this paper it can be stated that grievance mechanisms are related to the basic pillar of Maslow's need hierarchy which is the physiological need which talks about the basic necessities like food, clothing etc. Various elements are included in the various stages of Maslow's Need Hierarchy. All of these elements are linked to grievance (Gomathi, S,2019). For example, if an employee is experiencing the third stage of need, i.e., Social Needs, and he finds his social circle unacceptable, he is also experiencing grievance about his social life, which has a significant impact on his job performance. These and other elements, as indicated in many theories, have an impact on employee performance to some level (Maslow, 2020). Abraham Maslow's theory of motivation has important implications for managers. Maslow viewed human motivation as a hierarchy of five needs ranging from most basic physiological needs to the highest needs for self-actualization (Maslow,2018). In his theory, he has pointed out and explained how needs influence human behaviour. Here grievance mechanisms allowing employees to file a complaint is their right and basic need. As seen in the above case an effective grievance mechanism and procedure if implemented would not only reduce the stress for the employees but it would lead to better management and would have saved the

company from losses (Rahim, M. Afzalur,2020). Having an open-door policy would also enable managers to stay informed about the work of their teams. He should make it clear what kinds of conversations employees can conduct with their contacts. This helps in maintaining good interpersonal relationships and reduces conflicts and prevents insubordination.

#### VII. DISCUSSION

As per the previous findings the concept of open-door policy, gripe boxes and collective bargaining was not introduced and this led to an increase in conflicts among the employer and employees. The employees were frustrated and this impacted their mental wellbeing as well as their quality of work was not up to the mark. Also, previous studies never explained how a leader can guide the employees and implement a systematic and efficient grievance redressal mechanism.

Whereas in our paper its mentioned about open-door policies, gripe boxes etc which not only reduce conflicts among the employees but they would also allow the employees to actually raise their grievances without any bias or prejudice and it would lead to better policy framing and also gender biases can also be eliminated with these policies. This also improves the productivity and morale of an employee and leads to better output.

Also, with these policies there will be decrease in biases from the selection process that is done by the HR and the Manager when he engages with the employees would actually know which employee is performing well and can track their actual process rather than just praising them without any cause. In our findings we also found that work life balance is improved with an effective grievance mechanism because there is flexibility of employees in terms work hours.

#### VIII. CONCLUSION

Effective employee grievance management aids management in comprehending the feelings and attitudes of employees toward the organization's policies, practises, and rules. It serves as a tool for management to maintain an open and harmonious relationship with employees within the workplace, thereby reducing unnecessary crises that promote organisational poor performance and inefficiency. It

also serves as a medium for upward communication to organisation top management and provides a means of identifying the appropriate practises, procedures, and administrative policies that can cause the employee's complaints to be considered.

Every manager is responsible for ensuring that each of his or her staff is aware of it and supports its use in problem-solving. Managers that create an open-door policy frequently do so in order to promote communication within the company. This also demonstrates that having a good grievance procedure has a favourable influence on employee morale.

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