

A STUDY ON IMPACT OF EMPLOYEE MORALE ON PRODUCTIVITY AND THEIR INTENTION TO STAY.

PROJECT REPORT

Submitted by

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**Under the Guidance of:
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In partial fulfilment of the requirements for award of the degree of

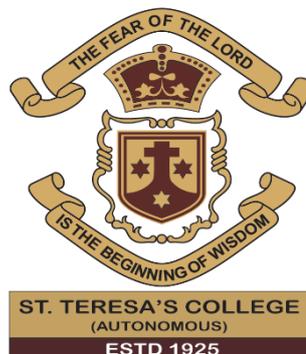
Bachelor of Management Studies (International Business)



ST. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM
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CERTIFICATE

This is to certify that the project report entitled, "A study on impact of employee morale on productivity and their intention to stay," is a bonafide record submitted by Ms. Loreeta Mariam Melvin., Reg. No.SB20BMS018, in partial fulfilment of the requirements for the award of the Degree of Bachelor of Management Studies in International Business during the academic years 2020-2023.

Date: 19/4/23


SMT. NAMITHA PETER
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19/4/23


DECLARATION

I, Loreeta Mariam Melvin., Reg. No.SB20BMS018, hereby declare that this project work entitled “A study on impact of employee morale on productivity and their intention to stay” is my original work. I further declare that this report is based on the information collected by me and has not previously been submitted to any other university or academic body.

Date: 19/4/2023



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EXECUTIVE SUMMARY

Majority of the experts believe that customers are “God” for running a successful business or organisation because they are the main factor for revenue generation, but this revenue generation can be done with the support and involvement of employees. For this support an employee attitude is very important. Employee’s morale is the attitude of an employee towards his organisation. If an employee has a positive morale, then his involvement and satisfaction will generate high productivity from him. This paper clearly views the term” Employee Morale”, " Employee Productivity” and the different factors used by the organisation to increase the employee’s morale. An organisation's effort to recognize the reasons for employee retention can serve to keep turnover down. No matter what industry it is essential to comprehend what the employees think and sense about the organisation and the working culture.

A supportive and positive work environment instilled by motivation, morale rewards, commitment, recognition these factors strengthen the connection between an organisation and employee. When organisational leaders naturally respect employees as more than mere work resources, employees reach a high level of performance and will continue with the organisation longer. The primary objective of this study was to recognize and promote the factors of trust and motivation influencing a positive working environment and employees’ intentions to stay with the organisation. The study aims to determine elements of employee intent to stay and contribute to the growing body of literature on the significance of trust, motivation, and positive working environment.

This research aims to study the impact of employee morale on productivity and the employee’s intention to stay.

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CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION TO STUDY

Human resources are the most important asset in an organization. They are connected with organizational facets and functionalities, and give meaning to its performances by achieving organizational goals. Therefore, the extent of employees' feelings is referred to access their morale.

Employee morale defined by Author Larry Flippo also defined employee morale in his words as “Mental condition or attitude of individuals and groups which determines their willingness to co-operate morale is basically a group phenomenon, it describes the level of favorable and unfavorable attitudes”.

James Clear defines productivity as “a measurement of the efficiency of a person completing a task”. However, he argues that productivity is more than just getting things done

Nowadays the organization is more changed from traditional method to modern method and day-to-day it is developed and made by the corporates to engage with employees. Also the definition of the management is also changed to only “getting things done through the people”, not controlling the group of people and ordering them to work with efficiency, because human resource is an asset and it's not a machine to obey anyone's order.

Organizational positive and supportive environments have become essential processes for an organization in recent years. Research on positive organizational psychology shows that a positive environment will drive compelling benefits for employers, employees, and the bottom line. Employees leave organizations if they are not satisfied with multiple factors linked to the company.

An organization's effort to recognize the reasons for employee retention can serve to keep turnover down. No matter what industry it is essential to comprehend what the employees think and sense about the organization and the working culture. A supportive and positive work environment instilled by motivation and trust strengthens the connection between an organization and employee. When organizational leaders naturally respect employees as more than mere work resources, employees reach a high level of performance and will continue with the organization

longer. The primary objective of this study was to recognize and promote the factors of trust and motivation influencing a positive working environment and employees intentions to stay with the organization. The study aims to determine elements of employee intent to stay and contribute to the growing body of literature on the significance of trust, motivation and positive working environment.

Some of the factors also affect the employee morale in the organization like nature and type of work, the organization they worked for, satisfaction & supervision level, employees perception about reward system, their educational and occupational level.

1.2 Statement of Problem

The low morale and motivation of employees, who feel they are not being recognized as valuable contributors to the system, and hence get no rewards for the good work that they do, may lead to low productivity, loss of commitment, and sometimes, further undesired symptoms such as absenteeism and sabotage. Research is conducted to analyze the variables contributing the morale of the employees and study how it is been contributed in employees productivity and their intention to stay.

1.3 LITERATURE REVIEW

1.3.1 Productivity (Morale)

Productivity refers to the amount of work that is produced by a worker within a certain period of time. Productivity can be affected by many factors, including employee morale. When employee morale is high, workers are typically more productive because they are motivated to do their best work. On the other hand, when employee morale is low, productivity tends to be lower. Having productive employees has always been a goal for companies. But today, the goal is to have highly motivated employees that are productive and glued to the organization. Productivity is a performance measure encompassing both efficiency and effectiveness. It is important, therefore, to know who the productive workers are. Productivity is a performance measure encompassing both efficiency and effectiveness. High performing, effective organizations have a culture that encourages employee involvement. Therefore, employees are more willing to get involved in

decision-making, goal setting or problem solving activities, which subsequently result in higher employee performance (Hellriegel, Slocum & Woodman, 1998). Encourage a more modern style of participatory management, raise employee productivity and satisfaction, and even lower workers' compensation rates. (Madison, Wisconsin, 2000).

Employee morale is the psychological state of employees and is often determined by their satisfaction with their work. When employee morale is high, employees are typically more productive and less likely to leave the company. Conversely, when employee morale is low, employees are less productive and more likely to leave the company. This makes sense, as unhappy employees are not motivated to do their best work. Mayo defined it as "the maintenance of cooperative living" and Dr. Leighton described Morale as "capacity of a group of people to pull together persistently and consistently in pursuit of a common purpose" Generally Employee morale is an attitude of employees towards the organization. Morale can be divided into two different ways. Individual Morale and Group Morale. Individual morale is one's own expectations towards the organization where group morale is a concept that describes the level of favorable or unfavorable attitudes of employees collectively to all aspects of their work.

1.3.2 Motivation

Employees play a pivotal role in the progress of any organization. In today's dynamic business climate, it has become vital to practice human resource (HR) methods to retain employees performing with the organization's goals. Motivation symbolizes "those psychological processes that create arousal, direction, and persistence of voluntary actions that are goal oriented" (Mitchell, 1982. p. 81). Motivation improving practices assist in motivating performance and effort. According to Shenkel & Gardner (2004), motivating employees is complex for organizations: if the right conditions or motivational factors are not in place, it will occur in weak performance, low satisfaction, diminishing morale and great despair. Amabile (1993) explained that it is necessary for managers and organizations to recognize and understand how to deal efficiently with their employees' motivation since motivated employees are vital to assure the organization grows successfully.

1.3.3 Rewards and benefits

Reward is the benefits that arise from performing a task, rendering a service or discharging a responsibility. “The principal reward for performing work is pay, many employers also offer reward packages of which wages and salaries are only a part. The packages typically include: bonuses, pension schemes, health insurance, allocated cars, beneficial loans, subsidized meals, profit sharing, share options and much more” (Agwu, 2013). To measure employee performance organizations use performance appraisal in order to ensure the achievement of goals. Organizations measure under Employee performance, employee productivity, job quality, job accomplishment, willingness to exert extra effort, commitment and goal achievement. (Yapa, 2002; Dharmasiri and Wickramasinghe, 2006; Taljaard, 2003) Mehmood (2013) points out rewards play a vital role in increasing employee rewards and changing the behavior of dissatisfied employees. As well as elucidating a fair reward system could build job satisfaction and productive behavior in employees. Reward system helps to improve organizational performance as well as it fulfills other objectives such as legal compliance, labor cost control, perceived fairness towards employees and enhancement of employee performance to achieve high level of productivity and customer satisfaction. (Maire & Nick, 2002). Carraher et al (2006) advocate that there should be an effective reward system to retain the high performers in the organization and reward should be related with their productivity. motivates employees to become committed to the organization (Lockwood and Walton, 2008). A study by Mercer (2003) reports that employees will remain in an organization if they are rewarded and also they may leave if they are poorly rewarded. Employees are likely to stay in organizations where they believe that their capabilities, contributions and efforts are appreciated (Davies, 2001). Gomez-Mejia, Balkin and Cardy (2004) also stated that internal equity and external equity should be observed in terms of remuneration if the compensation package is to be used as a retention strategy. In a study of nurses conducted by Pillay (2009), it was identified that monetary and non-monetary rewards are important in order to raise employee retention. Monetary rewards reported to significantly increase employee retention included performance bonuses, reasonable salaries, and remuneration for scarce skills. Non-monetary rewards included promotions, child care facilities, extended leave and recreation facilities. It was also reported that nurses view salary as the main source of dissatisfaction which often resulted in high employee turnover (Pillay, 2009). South African professional nurses who migrated overseas also cited

financial reasons as key reasons that influenced their decision to leave South Africa (Oosthuizen, 2005).

1.3.4 Intention to stay (Commitment)

Intention to stay is defined as employees' intention to stay in the present employment relationship with their current employer on a long term basis. This is an inverse concept of turnover intention or intention to quit. Vandenberg and Nelson (1999) defined employees' intention to quit as an individual's estimated probability that they are permanently leaving their organization at some point in the near future. Undesirable, unwanted, and voluntary attrition that companies experience when highly valued employees quit to take another job elsewhere is a much bigger problem than the frequency of corporate layoffs reported (Mobley, 1982). This aspect is increasing in importance as the competition for talent is high and continuously growing. The intention is a psychological antecedent for the actual behavior (Ajzen and Fishbein, 1980), individuals' intention to stay or quit, perform or not to perform a behavioral act can be the critical determinant of action. Intention to stay is the opposite of turnover intention (Kim, Price, Mueller and Watson, 1996) are negatively correlated, (Steers and Mowday, 1981).

Commitment is the individual's psychological attachment to the organization. Higher is the rate of commitment, more is the attachment towards the organization. Commitment represents something beyond mere passive loyalty to an organization. It involves an active relationship with the organization, such that individuals are willing to give something of themselves in order to contribute to the organization's well-being. Organizational commitment has gained prominence in management discourse, since it plays an essential role in goal achievement, innovation, and stability of an organization. It improves the trust between employees, managers, owners, units, and other concerned parties of any organization. Therefore, it better fosters superior-subordinate relationships and improves organizational climate, consequently leading to organizational development, growth, and survival.

1.3.5 Recognition

Recognition is the sense which is given to an individual for being a valued person of an organization. In more simple words recognition is monetary and non-monetary rewards offered

in the public place or communicated in the workplace regarding the success or accomplishment of an individual (Hellman, 1997). Recognition is the public acknowledgment of an employee's contribution to the organization such as positive feedback, appreciation and encouragement from superiors. Any task performance that exceeds the required job standards is considered excellent or outstanding. Recognition is the sense which is given to an individual for being a valued person of an organization. In more simple words recognition is monetary and non-monetary rewards given offered in the public place or communicated in the workplace regarding the success or accomplishment of an individual (Hellman, 1997).

1.4 SIGNIFICANCE OF THE STUDY

Employee morale and their productivity is important in an organisation. It is through motivation, rewards the employees give their involvement in management and their productivity increases and also along with recognition, commitment and rewards benefits the employees stay in the organization and to keep the organization afloat. By conducting this study can help the organization in understanding what can be done to enhance employees morale, their productivity and also employee retention

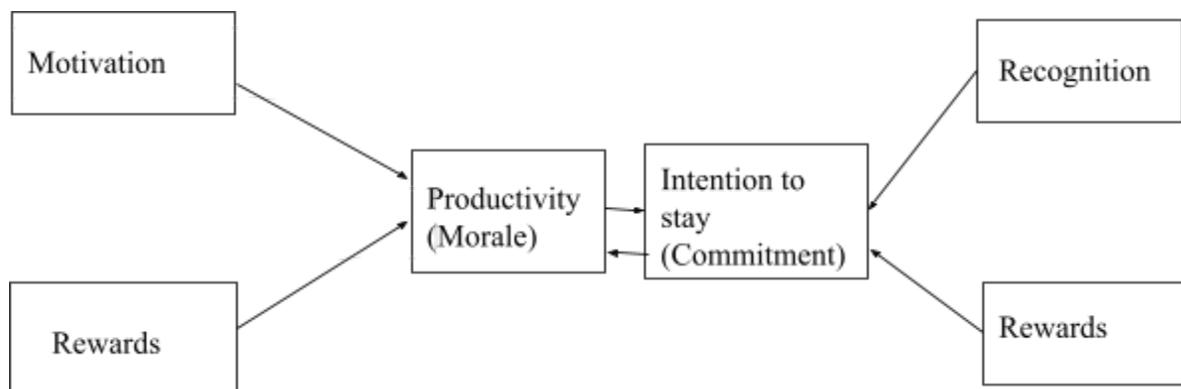
1.5 SCOPE OF STUDY

The study involves analysis of employee morale on productivity and willingness to stay in an organization. It aims to reach out to 100+ employees ranging above 18 age to understand productivity and intention to stay.

1.6 RESEARCH OBJECTIVES

- To understand the relationship between motivation and productivity
- To understand the relationship between rewards and productivity
- To understand the relationship between recognition and intention to stay
- To understand the relationship between rewards and intention to stay

1.7 DEVELOPMENT OF CONCEPTUAL MODEL



1.8 RESEARCH HYPOTHESIS

Hypothesis 1:

There is a positive relationship between motivation and productivity of employees.

Hypothesis 2:

There is a positive relationship between rewards and productivity of employees.

Hypothesis 3:

There is a positive relationship between recognition and intention to stay.

Hypothesis 4:

There is a positive relationship between rewards and intention to stay.

Hypothesis 5:

There is dependence between productivity (morale) and intention to stay (commitment)

1.9 RESEARCH METHODOLOGY**1.9.1 DATA COLLECTION**

When it comes to data collection, there are two methods that are generally used by researchers to collect data. These methods are Primary data collection methods and Secondary data collection methods. Primary data collection methods include observation questionnaires and secondary data collection of data through, case studies, projective techniques and schedules, published or unpublished sources, public records.

Published sources include publications by the government, public records, records held by banks etc. Unpublished sources include data from letters, diaries, unpublished biographies and work etc. The tool used by the researcher for the data collection to understand the factors influencing perception of customers, was through questionnaires.

Secondary data in research was used to find out about the industry's profile and the company's profile. It was also used in the introduction of study and literature review. All secondary data related information has been collected from previously done research papers and credible websites

1.9.2 SAMPLING**1.9.2.1 Population**

Population is the collection of the elements which has some or the other characteristics in common. The number of elements in the population is the size of the population. In this survey, the population comprises all the employees in the age group of 18 years above.

1.9.2.2 Sample size

The sample for the research is open for all employees in different sectors. Questionnaires were distributed through social media platforms like WhatsApp and e-mail to the respondents and enough time was given to the respondents to fill the questionnaire to reduce sampling error.

1.9.2.3 Sampling techniques

The study uses convenience sampling techniques which is a type of non-probability sampling technique. It involves selecting the sample population from a pool of conveniently available respondents.

1.9.3 Tools used for Data collection

The questionnaire is specifically created to match the needs of the study. There are two sections to the questionnaire. The first section focuses on demographic information, and the second section examines numerous elements impacting how responders are seen by consumers. The majority of the questions in the second portion are built using a Likert scale, with responses ranging from 1-Strongly Disagree ; 2-Disagree ; 3-Neither agree nor disagree to 4-Agree to 5-Strongly Agree. A rating scale has been formed to measure the employees level of agreement to the given variables.

1.9.4 Data Analysis Technique

The entire data has been analyzed using SPSS (version 20) software package. The tools used for analysis in SPSS for this research are as follows-

1.10 Limitations of the study

- Time constraints were one of the major limitations as research activities were done alongside academic activities.
- Cost was another limitation of the study.
- Getting the respondents to reveal personal data could be challenging. They may not be willing to answer certain questions in the questionnaire as they may perceive it to be intrusive.

CHAPTER - 2

INDUSTRY, COMPANY

AND PRODUCT PROFILE

2.1 INDUSTRY PROFILE

2.1.1 INDUSTRY MORALE

The industrial morale is closely related to the state of contentment or unrest of the working force, the two are not to be confused. Industrial morale refers to the degree of cooperation extended by the employees of an enterprise to the management in the course of their work, the interest they manifest in their work, and in the enterprise by which they are employed, and their willingness to assume a share of the responsibility that their work is properly and expeditiously done. Industrial morale has acquired recognition as a matter of prime importance largely as a result of the shift in economic power from capital to labor which has accompanied the war and which has resulted in the passage of a large measure of the control of production from hands of capital into the hand.

It is impossible in this paper to discuss the complicated problem of industrial organization. It is enough to emphasize the intimate relationship prevailing between the problem of industrial morale and the problem of industrial organization. Industry cannot afford to have such an important factor as labor.

Although morale is related to job satisfaction, it is not the same thing. There is no justification for using the two terms interchangeably. Job satisfaction, as we have seen, is the result of the various attitudes the individual holds toward his job, related factors, and life in general. Industrial morale is the composite expression of the attitudes of the various individuals employed by a company. It is generated by the group and may best be considered as a by-product of the group.

2.1.2 ORGANIZATIONAL STRUCTURE OF DIFFERENT MANAGEMENT

An organizational structure, also known as "organogram structure" or "org structure," outlines the hierarchy within an organization and describes the roles, responsibilities and lines of command that exist to achieve the organization's business goals.

By establishing transparent relationships between departments, organizational structures provide clarity, focus and efficiency to employees so that they know who they report to and their goals. To visually explain the company's reporting and accountability structure, businesses often create "org charts."

- **Hierarchical Structure**

In a hierarchical organizational structure, employees are grouped and assigned a supervisor. It is the most common type of organizational structure. Employees may be grouped by their role or function, geography or type of products or services they provide. This structure is often depicted as a pyramid because there are multiple levels of authority with the highest level of leadership at the top, their direct employees below them and so forth.

Benefits of this type of structure include:

- ❖ Establishing clearly defined levels of authority
- ❖ Promoting teamwork and department loyalty
- ❖ Fostering employee development and promotion opportunities

- **Functional structure**

In a functional structure, the organization is divided into groups by roles, responsibilities or specialties. For example, an organization may have marketing, finance and sales departments that are each overseen by a manager who also has a supervisor that oversees multiple departments. A functional structure can be beneficial because departments can trust that their employees have the skills and expertise to support their goals.

Benefits of this type of structure include.

- ❖ Establishing clearly defined roles and expectations
- ❖ Facilitating improved performance and productivity
- ❖ Allowing for skill development and specialization.

- **Matrix structure**

The matrix organizational structure resembles a grid in which employees with similar skills are grouped and report to more than one manager. This often includes a functional manager who oversees projects and their progress and a product manager who is responsible for the company's strategy and success regarding product offerings. The matrix structure is typically used by large, multinational organizations and promotes sharing skills and knowledge across departments to complete goals.

Benefits of this type of structure include:

- ❖ Enabling a flexible work environment
- ❖ Fostering a balanced decision-making process
- ❖ Promoting open communication and shared resources across the business

- **Flat structure**

In a flat organizational structure, most middle-management levels are removed so there is little separating staff-level employees from upper management. Employees are given more responsibility and decision-making power without the usual hierarchical pressures or supervision and can often be more productive. Small companies and early-stage start-ups mostly use this type of structure because they often have fewer employees and projects to manage. It may also be referred to as a "horizontal structure."

Benefits of this type of structure include:

- ❖ Reducing budget costs due to lack of middle management
- ❖ Building relationships between staff and superiors
- ❖ Facilitating a quicker, more straightforward decision-making process

- **Divisional structure**

In a divisional structure, organizations are split into divisions based on specific products, services or geographies. For this reason, this structure is typically used by large companies that operate in broad geographic areas or own separate, smaller companies. Each division has its executive leadership, departments and resources. For example, a large software company may separate its organization based on product type, so there's a cloud software division, a corporate software division and a personal computing software division.

Benefits of this structure include:

- ❖ Allowing divisions to work independently
- ❖ Meeting individual divisions' needs more quickly and specifically
- ❖ Promoting focus on specific products or services

- **Network structure**

In a network structure, managers at an organization will coordinate relationships with internal and external entities to deliver their products or services. For example, a retail company will focus on selling clothing items but will outsource the design and production of these items in a partnership with other companies. This structure focuses more on open communication and relationships than hierarchy.

Benefits of this type of structure include:

- ❖ Giving the organization more agility and flexibility
- ❖ Allowing the core company to focus on what it's best at

- ❖ Helping lower costs through outsourcing

- **Line structure**

In a line structure, authority within the organization flows from top to bottom and there are no specialized or supportive services. It is one of the simplest types of organizational structure. The organization is typically divided into departments overseen and controlled by a general manager, and each department has its manager with authority over its staff. The departments work independently to support the organization's primary goal.

Benefits of this type of structure include:

- ❖ Fostering effective communication and a stable environment
- ❖ Providing clearly defined responsibilities and lines of authority
- ❖ Adapting quickly to changing conditions or situations

- **Team-based structure**

In a team-based organizational structure, employees are grouped into skills-based teams to work on specific tasks while working toward a common goal. Often, this is a flexible structure that allows employees to move from team to team as they complete projects. This structure focuses on problem-solving and employee cooperation.

Benefits of this type of structure include:

- ❖ Helping streamline an organization's processes by breaking down silos
- ❖ Enabling more decision-making power with minimal management
- ❖ Increasing flexibility by focusing on experience instead of seniority

- **9. Circular structure**

A circular organizational structure relies on a hierarchy to depict higher-level employees within the inner rings of a circle and the lower-level employees on the outer rings. Seated at the center of the organization, leaders do not send orders down the chain of command but rather outward. While many other structure types contain different departments that work independently with individual goals, this structure removes that strict separation. It looks at the bigger picture with all departments being part of the same whole.

Benefits of this type of structure include:

- ❖ Encouraging communication across all levels of staff
- ❖ Promoting the free flow of information across the business
- ❖ Collaborating amongst departments, rather than separation

- **Process-based structure**

In a process-based structure, the organization is designed around the flow of its processes and how the duties performed by its employees interact with one another. Instead of flowing from top to bottom, this structure outlines services from left to right. An executive at the top of the structure oversees the departments below, representing the different processes, but each process cannot start until the one before it has finished. And each department will have its own management and team working to fulfill its duties so that the business can move on to the next task and eventually reach its ultimate goal, such as selling a product to consumers.

Benefits of this type of structure include:

- ❖ Improving the company's efficiency and speed
- ❖ Encouraging teamwork between departments
- ❖ Adapting quickly to meet industry changes

2.2 PRODUCT PROFILE

A job sector is an economic term used to classify a broad group of occupations and industries that are related by what they do. Understanding your profession or intended profession's job sector might help you make sense of the economy and industry goals. Six major job sectors are health care, information technology, real estate and development, education, agriculture, and government. There are many employment sectors around us which provide employment opportunities.

2.2.1 IT sector

IT Sector (Information Technology) means both software development and the hardware involved in the IT industry including everything from computer systems, to the design, implementation, study and development of IT, IT based management systems, IT based service provider through-platform, and IT based Aggregator businesses and systems. The information technology (IT) sector includes companies that produce software, hardware or semiconductor equipment, and companies that provide internet or related services.

The three major industry groups within the IT sector are software and services, technology hardware and equipment, and semiconductors and semiconductor equipment. These three industry groups are further divided into industries and sub-industries. Companies are aligned to a specific sub-industry that best describes their core or most profitable business.

2.2.2 Sales and marketing

Sales and marketing are crucial pillars of every business. They are closely linked and act as a catalyst for generating revenue (profit). While marketing is about building awareness about a brand and organization, sales turn that viewership into profits by converting the potential customers into actual customers.

Sales refer to the exchange of goods and services in return for the money. It is a process to transfer goods from manufacturer to distributor, distributor to wholesaler, wholesaler to retailer and from retailer to the consumer. The primary object of sales is to increase revenue.

Marketing is a process that involves research and analyzing customer requirements, according to which a company manufactures a product to satisfy their need. The marketing team regularly does market research to examine the likes and dislikes of customers or a group with different tools. In other words, marketing is all about discovering human needs and satisfying them with the desired product, thus resulting in sufficient income.

2.2.3 Media; Culture; Graphical

The media, culture, graphics sector covers a large range of industries including internet, television, newspapers, magazines, books, film and radio, and the companies and organizations involved in publishing, producing, packaging and distributing media content to the public. The sector also covers live performances, video games, printing and the graphical industries, as well as cinemas, professional sports, museums, amusement parks and other entertainment activities. Current work in the media, culture and graphics sector is focused on the employment effects of technological and market developments in media and entertainment industries and their impact on the future of the press, public service broadcasting, the music and film industry and other segments. The media, culture, graphical industries require specific skills and high-level qualifications, but are also often labor-intensive, for example, in theater or film production. Their contribution to employment is around 1 to 2 percent of the labor force. For some occupational groups, particularly those providing creative content, there has been tremendous growth in opportunities for work, partly attributable to technology-related work. Employment in live entertainment, television and media is substantial in most countries, and is seen as an area with good potential for employment creation.

2.2.4. Financial and professional services

The institutions, services and products that comprise the financial services sector vary from country to country, but generally include the central bank; depository organizations such as banks, building societies or mortgage banks and companies; credit unions or credit cooperatives; insurance and pension funds; general financiers; cash management firms; and other engaged in financial intermediation or asset management. Financial intermediaries may themselves include securitizers, investment firms, leasing companies, hire purchase and the provision of personal and consumer credit. In some cases, a broader perspective of the financial services sector needs to incorporate not only the financial industry but also the business services that support its operation.

Financial enterprises (such as banks) and regulatory authorities; the financial markets (for instance, the bond, equities and currency markets) and their participants (issuers and investors); and the payment system – cash, cheque and electronic means for payments – and its participants (e.g. banks). The interaction of these parts enables funds for investment or consumption to be made available from savings in other parts of the national or, increasingly, international economy. The professional services sub-sector comprises individuals, partnerships, firms or corporations of contractors or consultants who provide such services as accountancy; public relations; translation and interpretation; system analysis and design; real estate agencies, etc.

2.2.5. Education

India has the largest population in the world in the age bracket of 5-24 years with 580 million people, presenting a huge opportunity in the education sector. India holds an important place in the global education industry. India has one of the largest networks of higher education institutions in the world. However, there is still a lot of potential for further development and improvement in the education system. With increasing awareness, private Indian players are collaborating with international brands to provide an international standard of education. Private investments in the Indian education sector have increased substantially over the past two decades. The demand for specialized degrees is also picking up with more and more students opting for specific industry-focused qualifications. Higher education institutes in India are focusing on creating online programmes due to the increasing demand from consumers.

2.2.6. Business

Business refers to an enterprising entity or organization that carries out professional activities. They can be commercial, industrial, or others. For-profit business entities do business to earn a profit, while non-profit ones do it for a charitable mission. Business ownership includes partnerships, sole proprietorships, corporations, etc. Businesses can be small-scale or large-scale. Various businesses are organized per some type of hierarchy or bureaucracy. In these businesses, the positions have a customary role and responsibility.

As per business definition, we see that different types of businesses are:

Sole Proprietorship: In this kind of business, a single person owns and operates the business. There isn't any kind of legal separation between the owner and business. Thus, the onus of legal plus tax liability is on the owner.

- **Partnership:** As the name suggests, it is a business where two or more people run it together. The partners bring in resources and money, and then the shares in the profit or loss are divided amongst them.
- **Corporation:** In this business, a group of individuals act together as a single entity. The owners in this business are called shareholders. They discuss their views on the common stock of the corporation. There are unfavorable taxation rules in a corporation for the business owners.
- **Limited Liability Company (LLC):** It is not as old as the other business structures. It merges a partnership's pass-through taxation benefits and a corporation's limited liability benefits.
- **Small Business:** There are different sizes of business. Small businesses are companies where small owners (an individual or a small group) operate. For instance, family restaurants, clothing companies, home-based companies, and publishing companies. In this type of business, the profits are not that high but just enough to continue the business operations.
- **Mid-sized Business:** These businesses rake in millions of dollars in revenue. Usually, it ranges from \$50 million to \$1 billion. They are established better than a small business. The employee base of these businesses ranges from 100 to 999 people. For instance, Colorbar Cosmetics is a mid-sized business.

- **Large Business:** This kind of business usually operates as a corporation. It has an employee base of 1000+ people, and its revenue production is more than \$1 billion. Usually, these businesses issue corporate stock to finance their operations. Thus, it is publicly traded. As a result, it must report on certain things and operate restrictions. This is the opposite of a small business, where operations are independent of regulators. Amazon and Walmart are examples of large businesses.

CHAPTER 3

ANALYSIS AND INTERPRETATION

3.1 Demographic details of Respondents

The researcher has tried to study the demographic variables of the respondents.

Table 3.1(a) - Demographic Details of Respondent

Demographic Characteristics		Number of respondents	Percentage
Gender	Male	62	56.9
	Female	37	43.1
Age	Below 25 years	62	56.9
	26-35 years	29	26.6
	36-45 years	11	10.1
	45 years	7	6.4

Marital status	Single	89	81.7
	Married	20	18.3
Educational Qualification	PHD	4	3.7
	Post-graduation	39	35.8
	Graduate	57	52.3
	12 th /below	9	8.3
Monthly income	Below 10000	30	27.5
	10000-20000	25	22.9
	20001-30000	13	11.9
	Above 30000	41	37.6

3.2. RELATIONSHIP BETWEEN MOTIVATION AND PRODUCTIVITY(MORALE)

Table 3.2(a) Correlation between Motivation and Productivity

		meanmorale	meanmotivation
meanmorale	Pearson Correlation	1	.593**
	Sig. (2-tailed)		.000
	N	109	109
meanmotivation	Pearson Correlation	.593**	1
	Sig. (2-tailed)	.000	
	N	109	109

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3.2(a) shows that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Motivation and Productivity.

3.3 RELATIONSHIP BETWEEN REWARDS AND PRODUCTIVITY (MORALE)

Table 3.3(a) Correlation between Rewards and Productivity

		meanmorale	meanreward
meanmorale	Pearson Correlation	1	.360**
	Sig. (2-tailed)		.000
	N	109	109
meanreward	Pearson Correlation	.360**	1
	Sig. (2-tailed)	.000	
	N	109	109

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3.3(a) shows that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Morale and Reward.

3.4. RELATIONSHIP BETWEEN RECOGNITION AND INTENTION TO STAY (COMMITMENT)

Table 3.4(a) Correlation between Recognition and Intention to stay

		meancommitment	meanrecognition
meancommitment	Pearson Correlation	1	.706**
	Sig. (2-tailed)		.000
	N	109	109
meanrecognition	Pearson Correlation	.706**	1
	Sig. (2-tailed)	.000	
	N	109	109

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3.4(a) shows that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Recognition and Intention to stay (Commitment).

3.5. RELATIONSHIP BETWEEN REWARDS AND INTENTION TO STAY (COMMITMENT).

Table 3.5(a) Correlation between Rewards and Intention to stay.

		meancommitment	meanrewardcommitment
meancommitment	Pearson Correlation	1	.160
	Sig. (2-tailed)		.096
	N	109	109
meanrewardcommitment	Pearson Correlation	.160	1
	Sig. (2-tailed)	.096	
	N	109	109

Table 3.5(a) shows that p -value is more than 0.05 for both variables. Therefore it was proved that there exist no relationship between Rewards and Intention to stay (Commitment).

3.6. DEPENDENCE BETWEEN PRODUCTIVITY(MORALE) AND INTENTION TO STAY (COMMITMENT).

Table 3.6(a). Chi-square test on Productivity (morale) and Intention to stay (Commitment)

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	181.263 ^a	117	.000
Likelihood Ratio	111.069	117	.637
Linear-by-Linear Association	11.566	1	.001
N of Valid Cases	109		

a. 140 cells (100.0%) have expected count less than 5. The minimum expected count is .01.

		meancommit ment	meanmorale
meancommitment	Pearson Correlation	1	.327 ^{**}
	Sig. (2-tailed)		.001
	N	109	109
meanmorale	Pearson Correlation	.327 ^{**}	1
	Sig. (2-tailed)	.001	
	N	109	109

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3.6(a).establishes an evidence that the variables Productivity and Intention to stay are dependent because p -value is less than 0.05 for both variables.

Table 3.6(b). establishes that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Productivity (Morale) and Intention to stay (Commitment).

Summary of Hypothesis Statement.

#	Hypothesis Statement	Decision
H1	There is a positive relationship between motivation and productivity (morale) of employees.	Accepted
H2	There is a positive relationship between rewards and productivity(morale) of employees.	Accepted
H3	There is a positive relationship between recognition and intention to stay (commitment).	Accepted
H4	There is a positive relationship between rewards	Rejected

	and intention to stay (commitment).	
H5	There is dependence between productivity (morale) and intention to stay (commitment).	Accepted

3.7. Perception of employees on different variables

Table 3.7.(a) Mean of factors influencing morale

	N	Minimum	Maximum	Mean	Std. Deviation
meanmoralereward	109	1.00	5.00	4.3853	.78065
meantrainingmorale	109	1.00	5.00	4.4587	.71404
meanrecognitionmorale	109	1.00	5.00	4.1468	.85879
meanjobdmorale	109	1.00	5.00	4.2752	.73120
Valid N (listwise)	109				

Table 3.7.a shows that among all the factors, the average of job description(4.2752) is comparatively low and the organization should provide job description to employees.

Table 3.7.(b) Mean of factors influencing motivation

	N	Minimum	Maximum	Mean	Std. Deviation
motivationtraining	109	2.00	5.00	3.8991	.86007
meanmotivationupgrades kill	109	1.00	5.00	3.8349	.98614
meanmotivationtreatedas member	109	1.00	5.00	4.2752	.83745
meanmotivationleisureti me	109	1.00	5.00	4.2477	.85153
Valid N (listwise)	109				

Table 3.7.(b) shows that among all the factors, the average of upgrading skills (3.8349) is comparatively low and the organization should provide training to upgrade the employees motivation.

Table 3.7.(c) Mean of factors influencing commitment

	N	Minimum	Maximum	Mean	Std. Deviation
commitmentoromotion	109	2.00	5.00	4.2110	.79435
commitmentlongtermsec	109	1.00	5.00	3.8807	.98812
comitentrulesandreg	109	1.00	5.00	4.1468	.99838
meancommitmentopportunities	109	1.00	5.00	4.1193	.96920
Valid N (listwise)	109				

Table 3.7.(c) shows that among all the factors, the average of long term securities (3.8807) is comparatively low and the organization should provide long term securities for employees.

Table 3.7.(d) Mean of factors influencing recognition

	N	Minimum	Maximum	Mean	Std. Deviation
meanrecognitionsvisores	109	1.00	5.00	4.1468	.88009
meanrecognitionfreedomdecison	109	1.00	5.00	4.0367	.98061
meanrecognitionsvisorgoalsvalues	109	1.00	5.00	3.9725	.90736
meanrecognitionawaredecisions	109	2.00	5.00	4.1651	.72666
Valid N (listwise)	109				

Table 3.7.(d) shows that among all the factors, the average of goals and values (3.9725) is comparatively low and the organization should strongly consider goals and values of employees.

Table 3.7.(e) Comparison of reward on productivity and intention to stay

	N	Minimum	Maximum	Mean	Std. Deviation
meanrewardsproductivity	109	2.00	5.00	4.5321	.67452
meanrewardsintention	109	2.00	5.00	4.3394	.79606
Valid N (listwise)	109				

Table 3.7.(e) Though rewards have significant impact on productivity and intention to stay, Table 3.7.(e) it is proven that productivity has much better impact from rewards

Table 3.7.(f) T-test on gender and salary satisfaction.

	Gender	N	Mean	Std. Deviation	Std. Error Mean
salarysatisfaction	Male	62	3.11	1.189	.151
	Female	47	3.30	1.061	.155

Table 3.7.(f) shows that females are more satisfied with their salary package than males, but there is no difference in salary satisfaction between male and female.

CHAPTER - 4

SUMMARY OF FINDINGS,

SUGGESTIONS AND

CONCLUSIONS

4.1. SUMMARY OF FINDINGS

- 1) Table 3.1 (a) shows the demographic details of the respondents.
- 2) Table 3.2(a) shows that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Motivation and Productivity.
- 3) Table 3.3(a) shows that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Morale and Reward.
- 4) Table 3.4(a) shows that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Recognition and Intention to stay (Commitment).
- 5) Table 3.5(a) shows that p -value is more than 0.05 for both variables. Therefore it was proved that there exist no relationship between Rewards and Intention to stay (Commitment).
- 6) Table 3.6(a).establishes an evidence that the variables Productivity and Intention to stay are dependent because p -value is less than 0.05 for both variables.
- 7) Table 3.6(b). establishes that p -value is less than 0.05 for both variables. Therefore it was proved that there is a relationship between Productivity (Morale) and Intention to stay (Commitment).
- 8) Table 3.7.a shows that among all the factors, the average of job description(4.2752) is comparatively low and the organization should provide job description to employees.
- 9) Table 3.7.(b) shows that among all the factors, the average of upgrading skills (3.8349) is comparatively low and the organization should provide training to upgrade the employees motivation.
- 10) Table 3.7.(c) shows that among all the factors, the average of long term securities (3.8807) is comparatively low and the organization should provide long term securities for employees.
- 11) Table 3.7.(d) shows that among all the factors, the average of goals and values (3.9725) is comparatively low and the organization should strongly consider goals and values of employees.

12) Table 3.7.(e) Though rewards have significant impact on productivity and intention to stay, Table 3.7.(e) it is proven that productivity has a much better impact from rewards.

13) Table 3.7.(f) shows that females are more satisfied with their salary package than males, but there is no difference in salary satisfaction between male and female.

4.2 . SUGGESTIONS

1. When finding the mean of factors influencing morale, the average of job description was less compared to other factors, so the organization should provide training, and focus on skills rather than experience of the employees.
2. When finding the mean of factors influencing motivation, the average of organizations training towards upgrading skills was less compared to other factors, so the organization should provide better training, coaching and mentoring, more team interaction would help in improving motivation of employees.
3. When finding the mean of factors influencing commitment, the average of offering long term securities for employees was less compared to other factors, the organization should issue shares to employees, share bonuses or other equity incentive plans to improve the employees securities.
4. When finding the mean of factors influencing recognition, the average of supervisors considering goals and values was less compared to other factors, the supervisor should give employees feedback on their performance, value each member of the team equally.
5. When finding the comparison of reward on productivity and intention to stay, it was proven that productivity has much better impact from rewards. To improve rewards on employees' intention to stay, the organization should offer time off, incentives, cover commuting costs, tie rewards to company goals to teams.

4.3. CONCLUSION

From the study it is found that Employee morale plays a major role in the productivity of the employees. The motivation and rewards will increase the satisfaction of the employees towards the organization which indirectly have an impact over the productivity of employees. More over the organization, quality of worklife and level of perception are the factors which will boost the employee morale. The research was conducted with the main objective to analyze the factors that have a high impact on influencing employee's intention to stay in the organization. From the study, it is concluded that the factor which is mostly considered to have the greatest influence on the intention of the employee to stay in the organization is Recognition of employees followed by Rewards and benefits provided by the organization. Lack of providing rewards and benefits and Recognition will force an employee to go towards turnover factors. In assessing the role of the functions of the organization, the aforesaid factors deserve a high level of analysis in the organization. The role of the human resource manager in an organization should always be given importance as this is important to ensure the intention to stay. It was also found that salary with high incentives will motivate the employee to stay in the organization.

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ANNEXURE 1

QUESTIONNAIRE

Gender

Male

Female

Age

Below 25 years

26-35 years

36-45 years

45 above

Marital status

Single

Married

Educational Qualification

PHD

Post-graduation

Graduate

12th/below

Monthly income

Below 10000

10000 – 20000

20001 – 30000

Above 30000

Work experience

up to 3 years

3 – 5 years

5 -10 years

Above 10 years

Field of employment

IT

Sales and marketing

Mass media

Finance and accounting

Teaching and education

Other

Do you feel respected in your workplace?

Yes

No

Does your work give you a sense of accomplishment?

Yes

No

Maybe

How effectively are you able to manage your workload?

Not at all

Slightly

Moderately

Very much

Extremely

As an Employee your opinion on improving morale

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Reward system will help to improve employee's morale					
Training program given to employees will lead to high morale					
Job description, responsibility and duties lead to high morale					
Respondents work performance is recognized by the organization					

As an employee your perception on motivation

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Do you feel that you've had enough training to perform your job adequately					
The company facilitates ongoing training to upgrade my skills					
I am motivated when am treated as a team member rather than an employee					
I am motivated when am provided with adequate leisure time					

As an employee your perception towards commitment

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I have high chances of promotion and advancement in this firm					
This job offers me continued long term security					
Rules and regulations are applied equally to all employees					
I feel that with the opportunities given to this firm, I have a sound future					

Do you feel that you get recognition for your work?

	Strongly agree	Agree	Neural	Disagree	Strongly disagree
My supervisor cares about my opinions					
My supervisor strongly considers my goals and values					
I have freedom to take decisions regarding my job tasks					
I am aware of the decisions taken in the organization					

Please read the question carefully

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Does rewards, benefits and bonuses have an impact on your productivity of the employees					
Does rewards, benefits and bonuses have an impact on the employees intention to stay					

Rate how satisfied you are with your current salary?

1 2 3 4 5

Unsatisfactory

Excellent