CONTRIBUTION OF LABOR FLEXIBILITY AS A STRATEGY TO ACHIEVE LONG TERM ORGANIZATION GOALS

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ABSTRACT

This research is design to understand the contribution of labor flexibility as a strategy to achieve long term organizational goals. The organizations give liberty to its employees to work according to their style because each employee has its own behavior and working style. So to give satisfaction to them dealer’s give them liberty to work accordingly so that they will adapt themselves for the working conditions. To cope with the changing dynamics of the market downsizing, restructuring, merger and acquisitions play important role in it. So employees must know how to adapt themselves according to the change and employee flexibility is very useful for the success of the company. (Naswall, 2006)

The collection of data is done through the personal semi-structure interviews of respondents –The Respondents were basically from 4 major automobile dealers which were engaged into car sales where in we have taken 3 managers and 3 employees from various automobile dealerships. These dealerships are General Motors, Toyota, Hyundai, and Suzuki in UK.

The major finding of the research is that the productivity of the employees can be increased by job rotation as they learn about new skill set and acquire diverse working capacity. The organization should have an appropriate mix of fixed term and part timers and contractual employees so as to mitigate the effects of one or the other on the organization’s performance.

Keywords: Business Environment; Human Resources; Labor Flexibility; Organization Goals

INTRODUCTION

The continuous changing market condition and environment in today’s world compel various automobile company dealers especially car company dealers to bring flexibility in their employees to cope up with marker changes effectively and to meet the set objectives of the organization. To bring positive changes and flexibility in the system as per the market and industry demand, all the elements of the firm for example product, process, material handling, volume, machine and employee needs to be adaptable and flexible. Among all elements mentioned above, the employee is the most important and crucial element of the system because each human has different behavior and style of working and this leads them to most valuable element of the organization. Human element is most flexible among all elements of the system. This is the reason why maximum attention is required to employee to make them adaptable and flexible in comparison to other element of the system. Every car company dealer has many labors and employees with different set of skills and knowledge and these employees and labors can be made flexible through best possible optimization tools and techniques for achieving the organizational goals.

Business environment of today’s corporate world has changed the environment in workplace very suddenly and more frequently than it has happened ever before. The climate for such uncertain world is pertaining to various changes happening all across the world such as mergers & acquisition,
restructuring & downsizing, introduction of new technology and various other related factors. The profitability and productivity of dealers has started to depend on ability of organization to adapt the changes happens in corporate world. The most important asset of the organization i.e. employee also needs to change themselves according to global business environment to keep the organization profitable and productive all the time. (Wallace, 2003)

People get attached to their organizational environment, working group and style of working very deeply. But the main thing is to get adapted with the changing working conditions for each individual person and group to survive in this corporate world. Change is the essence of life and change will be there all the key is to learn from the changes and learning to manage the changes. Lead changes include both understanding of human factors and ability & skills to manage changes effectively. During the time of change process, employees are the first who has to change them because they decide the future of the organization by putting their efforts.

Whatever are the conditions and situations are there but organization has certain fixed objectives that they look out for. Profit and productivity are the essential goals for any organization and it is one of their long term goals of the organization.

Effect of Organizational Change on Employee Flexibility at Workplace: Once organizational changes are announced, some employees adjust them according to change and some see for leaving the job. Those who leave the job also affect on mind set of their friends and peers. This long working hours and imbalance in professional life may cause health related problems to employees such as hyper-tension, stress related problems etc (Wallace, 2003)

Reduction in Efficiency and Productivity: Absentees cause over load of work on the employee and this cause effect on their efficiency and less work is done from this reason Such kind of atmosphere create atmosphere of uncertainty and ambiguity and individual become self-protective and take out support from others. Superior avoid to share more information with colleagues and subordinates and this cause more inconsistency in relationship as flow of information become get stuck. This directly affects the relationship between employees and working relationship also affected because of the former reason.

RESEARCH OBJECTIVE

1. To evaluate how workers perceptions about labor flexibility can be improved for the achievement of the organization’s objectives.
2. To evaluate managers’ perceptions about labor flexibility can be improved for the achievement of the organization’s objectives.
3. To evaluate the various motivational theories to relate it with labor flexibility to improve individual’s performance for the betterment of the organization.

METHODOLOGY

This part will describe about the various process and steps adopted in order to collect data and work on the set objectives and goals. This chapter guides a researcher through various research approaches, the steps and methods adopted, data collection methods and area covered and analysis of data that basically includes validity and reliability of data.

Data Collection Method

The method used for collecting the data is semi-structured interviews related to workers and managers opinions will be collected to this purpose. To meet our objectives we have taken interviews from employees as well as managers to get the overall view of both employer and employee. Semi-structure interview will enable researcher to get the actual reality of the subject involve in the research. Semi-structure interview also helps to gather pool of data from senior employees and experts of the organization.
Semi-structure interviews offer flexibility and freedom to express the response to the respondent without having any interruption by others and freedom to exchange information and knowledge. It is easy to compare the groups on the basis of interviews.

This is the best possible way to get fitted with the qualitative approach because there is no limitation in terms of nature of response from the respondent and no need to carefully probe the respondent.

**How the Data is analyzed for this Research Work**

- It is already mentioned that all the interviews which have been conducted; are recorded. All the texts being analyzed usually come from the conversation and dialogues which held in interview process.
- The analysis aims to reduce the data first, simplify it by summarizing and at the end structuring the data according to set rules derived from pre-existing theory. In complete process, the written text is divided or breakdown into certain meaningful units which is then analyzed.
- Researchers have given impetus to assess various dialogues regarding employees’ and managers’ attitude and perception about being flexible for the achievement of organizational goals at long term. After all dialogues are done with transcription into certain format and then coded, researcher take all those units which looks consistent and then subsequently these units are turn into primary subjects for the analysis purpose. (Green, 2003)

**DATA ANALYSIS AND FINDING**

Data Analysis and Findings are most important part of any research. Any research is incomplete without a detailed data analysis. The findings derived from the data analysis also set the future directions of the research. It is very important as the data analysis and the findings are one of the major component on which the basis of recommendation and suggestions are formed.

They are the foundation of the results for the research as the research provides the future action that the researcher should take in order to improvise upon the chosen topic. Under the research in hand where after the data analysis various interesting facts relating to labor flexibility can be observed. Finding for the research in totality has served the whole purpose of conducting the research. Under this chapter I have done the data analysis on the response which I have got after taking interviews of decided sample size (which is 12 employees from 4 automobile company dealers and 11 managers from same 4 company dealers). There are two questionnaires, one for the employees and the others for the managers. Almost all the questions are more or less the same but the reason there are two questionnaires is that the research has an objective to meet its labor flexibility perspectives from both the employee and the manager’s side as well.

**Example of the Transcript of interviews taken by the researcher:**

**Interview transcript of “Emanuel” – Employee at Suzuki. (Feltham)**

Researcher: How are you?

Emanuel: I’m fine thank you.

Researcher: Are you satisfied with your current job?

Emanuel: Yes, I’m satisfied; I’m in love with my current job profile. I like my job so there is an internal motivation to perform well.

Researcher: What makes your job interesting?

Emanuel: The job rotation facility at our organization is very good, so we have any opportunity to develop various skills such as leadership, communication skills and knowledge applicable for various
jobs. By doing work in different departments, the knowledge of doing various works get increased so this thing makes my job very interesting.

Researcher: Is there any training provided for the employees benefits?
Emanuel: Yes, the behavioral and functional training is provided to us. And it will be beneficial for us because of this I’m able to do my current job in better manner.

Researcher: What type of job you are doing in the company?
Emanuel: I’m a full time employee in this organization, there are many employees who are working part time, and interns are also there.

Researcher: What kind of salary are you getting in the organization?
Emanuel: I’m getting fixed salary and the appraisal is done on yearly basis. Some incentives are also associated with the performance.

Researcher: Up to which extent your company provides increasing labor flexibility to the labors?
Emanuel: Yes, our company gives good degree of labor flexibility in terms of working hours/ in terms of shifts to the labors i.e. employees are free to choose the shift in which they want to work.

Researcher: Which kind of qualities are you looking in your manager?
Emanuel: Motivational skills, leadership skills and interpersonal skills are must be there in the manager.

Interview Transcript of Chris – StoreManager at General Motors (Berkeley Square)
Researcher: How you doing?
Chris: I’m doing well.

Researcher: Are you satisfied with your job and your employee’s performance?
Chris: Yes, I in love with my job so I’m satisfied with what I’m doing and Yes, I am also satisfied with my employees performance. Whenever I’m expecting anything from my employees I tell them and they fulfill it. For E.g. when the sales were going down I asked my employees to put extra effort and they started suggesting various offers as well as working extra hours in order to revive the sales.

Researcher: According to you which factor is important to increase productivity of employees?
Chris: The job rotation facility in our organization make employee to improve their knowledge about any job so their productivity get increased.

Researcher: Which form of labor pay is most effective?
Chris: The fixed pay, incentive pay, temporary pay, the mix of all is effective to attract employees towards their work.

Researcher: Can you please explain this with the help of some example
Chris: Fixed pay is provided for fixed duration say for example 5 pounds per hour, incentives are provided for every sale the employee make ranging from 50 pounds to 500 pounds depending on the car model sold by them, and temporary pay is provided for the temporary work.

Researcher: According to your perceptions rates the degree to which your organization is committed towards increasing labor flexibility.
Chris: Our organization’s level is very high to increase labor flexibility.

Researcher: Can you please elaborate.
Chris: as per the organizational norms, HR is the most competitive asset of the organization and thereby it should be nurture in the right manner to augment overall organizational productivity. Thereby organization has rendered flexibility in terms of working hours and in some cases days as well depending upon the nature of job.

Researcher: What quality are you looking in your subordinate to increase productivity?

Chris: The dedication and team player are the two qualities what I’m looking in my subordinate.

Questions asked from the employees

Out of the options given below what do you think would help you make your job interesting:

1. Job rotation by moving you to different profiles in your work group
2. By giving you more responsibility in the same profile.
3. By promoting you to the next level
4. Current profile is interesting enough, not willing to change it

Responses: out of the total 12 employees interviewed for the above mentioned question the responses are:

- 5 out of 12 supported option (a) that is the job rotation by moving the employees to different profiles in your work group.
- 4 out of 12 said that giving more responsibility in the same profile
- Rest of the respondent that is 3 said that promoting them to next level
- Interestingly none of the respondent chose option (d) that is current profile is interesting, and is not willing to change it.

Finding and Analysis: From the responses itself it is clear that the respondents that is the employees side are more inclined towards job rotation may be the reason behind the same can be that they must have got bored by doing the same monotonous job throughout therefore they want something new which may refresh them and make them work properly. It may allow them to explore their capabilities in to different area of business and it will help in increasing the degree of their flexibility as well. Nearly 30% of the respondent was of the view that increasing the responsibility in the same profile can be a good option through which their current job can be made interesting. Nearly the same number of respondents that is 3 chose the option (c) which says that promoting them to next level will increase the level of interest in the job. Therefore here the responses which we have got from the respondents that is from the employees represents a mix bag kind of opinion about the first question.

Various functional (related to your technical work) and behavioral (related to improvement of your skills) trainings provided are of use to you because:

1. It helps you to perform your current job in better manner
2. It helps you learn behavioral aspects required on the job
3. It provides you techniques to improve on the job flexibility
4. It helps you to understand alignment between your goals to organization’s goals

Responses: under the question asked the responses which we have got are mentioned below:

- 6 out of the total respondents chose option (a) where they say that the trainings that is both functional and behavioral helps them to do their current job in a better manner.
- 5 out of the total sample chose to be in the notion that these training give them the techniques to improve upon their job flexibility which is option (c).
Only one respondent was of the view that it helps to understand the behavioral aspects of the current job.

None of them were inclined towards option (d) that is it helps understand the alignment between personal and organizational goal.

**Finding and Analysis:** After the response it is very clear that these workers have a less understanding of personal and organizational goals they are confined toward their performance in their current job that is they think the trainings which their organization provides them is just to increase their performance in their current job as it tries to highlight their jobs functional and behavioral aspects. The workers are also of the view that the job flexibility can be improvised as these trainings provide them the techniques for the betterment in the job responsibilities. The idea of goals alignment and behavioral aspect were negligible in responses. (Ezzy, 2001)

**According to you what form of labor are most effective:**

1. Fixed term employees
2. Part timers
3. Temporary workers
4. Short term contractors
5. An appropriate mix of all of the above

**Responses:** the responses for the question in hand are mentioned below:

- 11 out of the total sample have chosen the fixed term employees that is option (a)
- Only 1 out of the total sample has selected option (b) which is part timers

**Finding and Analysis:** The responses are very clear more than 90% of the respondents have responded that the effective workforce for an organization could be the fixed term employees it may be the result of self interest that the employees may have in relation to their job. They on their own are more inclined towards the permanency as the fixed term employment gives them job security which in case of the contractual employment and temporary employment is not present as the organization do not have any liability towards them on the other hand the organization are up to an extent are liable towards the fixed term employees. Moreover the fixed term employment strengthens the bargaining power of employees over their management. (Kashefi, 2007)

**According to you what pay system is most effective?**

1. Basic with flexible incentive based on performance
2. Fixed individual based
3. Fixed group based
4. Fixed individual based with yearly appraisals

**Responses:** responses for the question in hand are mentioned below

- 12 out of the total respondents have selected the option (d) that is the fixed individual based pay system with yearly appraisals.

**Finding and Analysis:** The respondents here have shown a clear majority in terms of what should be the effective payments systems for an organization. All the respondents here are of the view that the organization should follow the fixed individual based pay system with yearly appraisals. Where the growth of the individual in the organization is in the employee’s hands itself they will get what they deserve on the individual basis based on the performance rather than on the performance of a group.
Questions asked from the automobile store Managers

Out of the options what do you think would lead to improved productivity of labor?

1. Job rotation by moving employees to different profiles in same work group
2. By giving more responsibility on the current profile.
3. By promoting employees to the next level.
4. Current set up has effective productivity, no change required

Responses: From the 12 managers to whom the question was asked the responses are mentioned below.

- 6 Out of 12 managers were of the opinion that the rotation in the job within the same work profile will increase the productivity of their employees.
- 5 Out of 12 managers interviewed were of the opinion that by promoting the employees to next level can help them in increasing their productivity.
- Only one of the managers chose option (b) that increasing the job responsibility with in the current profile increases the productivity of the employees.
- None of them chose option (d) that is the current set up is more than enough to increase productivity of their employees.

Finding and Analysis: Under the first question asked from the managers which says that which option do they think increases the productivity of employees the responses which we have got are very clear in approach unlikely the responses from the workers. The managers understand that labor flexibility equal job rotation. The managers are of very clear view that job rotation is the best option amongst the given to increase their worker’s productivity they are of the view that when the employees work profile is changed with in the same work group they come to know about the complete job and the and the factor of doing a monotonous task every day is changed and the workers will feel refresh about the same job as they have to perform different job responsibilities which enhance their understanding of the job and intern increases their productivity that is a desirable result for the managers. Nearly 30% of the managers interviewed say that promoting the worker to the next level can increase desired productivity of the workers as when they are promoted their confidence boosts up and they tend to take their job more seriously which increases their productivity on the current job. Apart from the above mentioned responses none of the respondents were of the view that increasing the job responsibility in the current profile or whatever the current setup is sufficient enough to increase the productivity of their workers as they must be of the thinking that changing with the change is the best option to survive in the competitive world.

Various functional and behavioral trainings conducted by management serve the purpose of:

1. Improving performance of employees on current jobs
2. Employees learning behavioral skills required on the job
3. Introducing techniques to improve on the job flexibility
4. Alignment of individual goals to organization’s goals

Responses: the responses for the current question from the managers are specified below

- Out of the 12 managers interviewed, 8 managers say that the option (a) that is these training improve the workers performance on their current job.
- 3 Out of sample chosen chose option (b) that is these training helps the employees in learning the behavioral skills required for the job.
Finding and Analysis: After the analysis of responses from the managers it is clear that the notion of goals alignment is not in the purview of managers thinking relating to these trainings. They are of the view that these training in real sense help their employees to improvise their performance on their job. These training help them to understand the functional aspects of the job which increases the productivity and in turn enhance the flexibility on their job. They are also of the view that these trainings helps their employees to understand the behavioral aspect of their job as to how should they go about their current job what behavioral skills do they require to perform their job in a better way. (Green, 2003)

According to you what form of labor is most effective:

1. Fixed term employees
2. Part timers
3. Temporary workers
4. Short term contractors
5. An appropriate mix of all of the above

Responses: the question has the following responses from the managers of the chosen companies.

- 10 out of the 12 manager selected for the sample chose option (e) which says that an appropriate mix of all the above.
- Only 2 managers out of the lot of 12 selected only the fixed term employees.

Finding and Analysis: With the changing time the managers themselves have changed their views in term of what kind of labor will be suitable for their organization and majorly 90% percent of them are of view that the organization should have an appropriate mix of all workforces that is the fixed term, part timers, temporary workers, short term contractors. According to them all of them put together a well formulated flexible workforce for an organization as these entire above mentioned have their own advantages which the organization can utilize in order to achieve their goals. According to them the mix of all kind of workforce can lead to better productivity for their organization. Only 2 of the managers in the sample chose only the fixed term employees as an option and reason behind the same can be the trust factor that the managers can have on their fixed term employees which may not be the same in case of temporary employees.

According to you what pay system is most effective?

1. Basic with flexible incentive based on performance
2. Fixed individual based
3. Fixed group based
4. Fixed individual based with yearly appraisals

Responses: The managers of different organizations have given the following responses for the question mentioned above

- 8 out of the total sample said that the fixed individual based with yearly appraisals that is option (d)
Findings and Analysis: More than 75% of the managers interviewed are of the opinion that from their organization the best and effective pay system is fixed individual based with yearly appraisals and the reason behind the same is that they think that the employees through this payment system will get what they deserve and yearly appraisal will motivate them to work harder to achieve better performance and higher growth in appraisals. Nearly 10% each think that pay system should be only the fixed individual based and the basic with incentive based on the performance respectively.

According to your perceptions rates the degree to which your organization is committed towards increasing labor flexibility. (1 being very low, 2 being low, 3 being average, 4 being high and 5 being very high)

Responses: the responses from the respondents are mentioned below

- Out of the total sample 8 have chosen option 4 that is highly committed towards labor flexibility.
- Out of 12 only 3 responded that option 3 is best suited for their organization and 1 of them chose option 5

Finding and Analysis: The responses clearly say that 75% of the respondents agree that their organization is highly committed towards labor flexibility and take it very seriously to improvise on their productivity. Nearly 20% of them think that their organization is averagely committed towards labor flexibility.

SUMMARY

The same question was asked from the employees as well as the managers but there is deviation in the response as for the first question most of the managers are in favor of job rotation as they know that they can develop a multitasking team by job rotation. This would ease them in achieving their tasks. But employees have favored the job rotation as well as more responsibility. Majority of managers are in the support that employee should be dedicated, team player & have good interpersonal skills. In the similar ways all the employees were in support that a manager should have all the skills which includes motivational, Leadership & interpersonal skills. It could be observed that the needs of managers are different from those of employees, due to that reason there is difference in the response of both. There is difference in perception of manager and employees/workers as result their requirement also differs. But labor flexibility benefits both employees and managers. An employee would always wish to be a fixed term employee of an organization because of the benefits provided to him, but a manager would decide on the basis of business requirement whether he needs a fixed or temporary employee. So we could observe that the difference in response is because of difference in perception & requirement. (Brooks, C, 2007)

SUGGESTIONS AND RECOMMENDATIONS

Following are some of the major point that the reader of this research report should take as a recommendations for the research carried on the above mentioned topic-

1. The basic factor that can be improved here is that the labor’s knowledge of the organization’s business the organizations in the automobile industry first and foremost should train their labors in relation to what is their real business all about, the challenges that the organization is facing currently and how can they contribute their bit in order to help the organization to achieve their long term goals,

2. There should be a perfect blend of group and individual participation in problem solving at each level of the organization which will defiantly give the organizational workforce to feel
the sense of responsibility which automatically will inculcate the adjustment skills with in the labor force and enhance the flexibility

3. All the individuals in each team should have an equal chance in decision making process which is directly related to the management system pertaining to quality and product, organization and procedures which play a major role in streamlining the organizational flexibility.

4. The employee’s compensation package should be directly related with the skill Set they posses and the experience they have in the related field which can be a motivational factors for the employees and instigate them to be more flexible in terms of work related performance and help the organization to achieve its long term goals.

5. There should be equality between each employee of the organization which in clear words can be stated as that the practices in the organization and its policies should be devised in such a manner that there should be no social and economical distinction between the employees and the management.

CONCLUSION

The research study has tried to explore the relatively lesser known facts with respect to labor flexibility through deploying best of methodologies and research tools. This has facilitated the researcher to put forward effective as well as feasible suggestions with respect to labor flexibility. The conclusion has its basis from primary and secondary research analysis. It will not only render benefits at an individual level but also at organizational level. This will be rendering competitive advantage to those organizations who stick to the proposed changes in the field of labor flexibility. All these points put together if implied successfully in any organization in an automobile industry can lead them to increase their labor flexibility and achieve their long term goals for sure without any doubt. In this research study it was also established that labor flexibility has a notable impact on various aspects such as job security, community feeling, and public opinion in relation to various kinds of social security programs. If we talk on theoretical basis, then labor flexibility has carved out various categories of associates such as atypical insecure associates and another one is multi-skilled workforce. Thus organization’s management has to bear in mind all those factors that affect labor flexibility prior to changing labor policies. (Steven, 2004)

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