Review Of Research

Abstract:-

In a globalized and competitive business environment, companies that have set up effective suggestion systems are discovering that employees possess great ideas that can used to lower the costs, create huge economy by increasing revenue and increase efficiency by higher productivity. An employee suggestion system is a technique through which an employee can be motivated to take initiative in the decision making, exhibit their talents, abilities, skills and bind them to contribute more towards the organizational success. Modern human resource practice calls for such involvement of the employee at their workplace where they have a say in the management and enable the engagement processes more positivity in creating an environment of belongingness and commitment .The study attempts to investigate whether employee suggestion system can be used as an effective tool in engaging employees in an organization. It focuses on understanding the perception of employees towards the suggestion system practices in the company and study it at Strategic, Tactical and Individual level.

Keywords:

Workers suggestion evaluation, Workforce Engagement, Suggestions System, Evaluation, Employee Engagement, Opinion sharing.

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EMPLOYEE SUGGESTION SYSTEM: AN EFFECTIVE EMPLOYEE ENGAGEMENT TOOL ! WITH REFERENCE TO INFORMATION TECHNOLOGY INDUSTRY IN HYDERABAD

INTRODUCTION

Engagement is one of the most popular buzzwords in the HR Practices. It is a belief of many researchers that an engaged employee is more effective on his job, provides valuable contribution and is committed to stay for a long period in the organization. Lewis et al 2011 gave a new definition. He says 'Being focused in what you do (thinking), feeling good about yourself in your role and the organisation (feeling), and acting in a way that demonstrates commitment to the organisational values and objectives (acting). It is important for any organization to provide an opportunity for the employees to have a say in the working patterns or significant decisions that have huge impact on the organisational improvement. One way to provide this opportunity is to have an effective employee suggestion system. A suggestion system is a technique through which a company can motivate its employees totake initiative in the decision making, exhibit their talents, abilities, skills and bind them to contribute more towards the organizational success.It is important to capture the employee's innovative ideas and suggestions in the rightful way that act as driving force for employee engagement practices. It appraises employee motivation and provides a satisfying work environment. Hence it is necessary to understand the employee's perception about the suggestion system and its effectiveness.

REVIEW OF LITERATURE

Jo Faragher (August 2013) features in his article "Creating an employee suggestion scheme that delivers" that employees can be skeptical about workforce engagement programs. But an effective suggestion system can yield a higher level of employee contribution and real viable results. He believed that the minutest ideas make a significant difference in the organizational improvement.. He suggested that the employers should listen to their employees and adopt a collaborative suggestion system.

Arthur et al (2010) found in his research that the volumes of employee's suggestions are significantly related to the reward paid for it.

Schaufeli and Salanova (2007) suggests that from an individual perspective, evidence suggests that employees that are engaged are likely to be more satisfied in both their life and job and have better mental and physical health.

Coleman (2007) Employee suggestion is a method through which an employee internally contributes ideas for cost cutting and offering suggests for improvement of the suggested that the biggest obstacle in an effective suggestion system is its review processes, evaluation, feedback and guidance. An insensitive reaction by the top officials may kill the innovation instinct towards business processes. This makes an inclusive culture at the organization level to value the employee's opinion.

Crail (2004) suggests that recognizing and rewarding the workforce is beneficial to the morale of the organization.

Christiaan vanDijk and Jan van den Endu, Rotterdam School of Management (2002)in their article on "Suggestion system: transferring employee creativity into practicable ideas", suggests that in order to handle employee creativeness, it is important to have a system of ideas extraction and ideas follow up, else employees will not be inspired to put their talents up and many of the innovative ideas will be lost. An ideal suggestion system can put significant requirements in the organizational context.

Kate Walter wrote in HR Magazine : The term "employee suggestion systems" refers to a variety of efforts businesses make to solicit and utilize input from their employees in hopes of achieving cost savings or improving product quality, workplace efficiency, customer service, or working conditions. These efforts range from simply placing suggestion boxes in common areas to implementing formal programs with committees to review ideas and rewards for those that are adopted. The ideas generated can range from simple quality of work life improvements, like putting a refrigerator in the coffee room, to larger streamlining issues that can save the company thousands of dollars per year, like switching all salespeople's cellular phones from individual contracts to a group contract with a discount vendor. "Suggestion programs create a win-win situation,". "More involvement and input for employees and improved efficiency and cost-savings for employers."

Charles Martin, author of Employee Suggestion Systems: Boosting Productivity and Profits said : "Companies that set up effective suggestion systems are finding that employees have great ideas that can lower costs, increase revenues, improve efficiency, or produce greater quality. "Employees work together better as a team and often submit ideas as a team. And they begin to think more like managers, looking beyond the scope of their own jobs."

OBJECTIVE OF THE STUDY

1.To study the employee's perception about the suggestion systems in IT Sector.
2.To understandthe practices of the suggestion system at Strategic, tactical and individual levels in IT Sector
3.To identify the effectiveness of employee suggestions system as tool towards engagement strategies.

HYPOTHESES

HO: There is no significant impact of Employee Suggestion system on employee engagement at Strategic, tactical and individual levels in IT Sector

NEED FOR THE STUDY

The study is useful in understanding the employee's perception about suggestion systems practiced in IT Sector. This study attempts to portray the suggestion system practices followed at strategic, tactical and individual levels .It will help in analyzing the expectations of an employee in terms of value given to his / her opinions at the workplace. An employee's morale is boosted when his / her innovative or logical suggestions are accepted and implemented. Their Commitment and involvement also binds them more closely towards the Organizational Improvement. Hence the need of this study is to identify the factors that assistance the HR to engage employees through an effective suggestion system.

RESEARCH METHODOLOGY

The sample was drawn from selected top IT companies in Secunderabad and Hyderabad. Population consists of the software employees at different levels like the team leaders, developers and software programmers. The demography of the population included both male and female team leaders, software developers and software programmers varied in age group, from 22 years and 42 plus years, from selected IT Companies, situated in Secunderabad and Hyderabad. The Random sampling method was used to select the sample respondents. A total of 190 Questionnaires was administrated and received 110 responses. The structure of questionnaire is closed-end and is designed at three levels Strategic, tactical and individual level to understand the employee's perception and practices about the suggestions system in an organisation. According to the nature of the study, questionnaire was considered the best instrument with Likert Scale used for collection of data. The data so collected is analyzed and interpreted using simple - ANOVA Single factor .The secondary data was also collected from various books, online journals, and websites also.

DISCUSSION AND RESULTS

TABLE -1 EMPLOYEE'S PERCEPTION ABOUT SUGGESTION SYSTEM AT STRATEGIC LEVEL

Factors	Responses (Groups)				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. Proper Suggestion System in Place	10(11%)	10(11%)	6(6.6%)	32(35.2%)	52(57.2%)
2. Objectives clearly communicated	13(14.3%)	14(15.4%)	5(5.5%)	37(40.7%)	41(45.1%)
3. System fair and Transparent	16(17.6%)	17(18.7%)	9(9.9%)	31(34.15)	37(40.7%)
4. Allows participation in Decision making	9(9.9%)	11(12.1%)	7(7.7%)	40(44%)	43(47.3%)
5. Foster creativity and Innovation	13(14.3%)	10 (11%)	6(6.6%)	47(51.7%)	34(37.4%)
6. Appreciation and reward for valuable Suggestions.	13(14.3%)	11(12.15)	6(6.6%)	37(40.7%)	43(47.3%)
7. Recognition throughout the Organization	13(14.3%)	13(14.3%)	7(7.7%)	41(45.1%)	36(39.6%)

TABLE -2 ANOVA: SINGLE FACTOR

Employee's Perception about Suggestion System at Strategic Level				
Responses(Groups)	*Factors*	*Sum*	*Average*	*Variance*
Strongly Disagree	7	87	12.42857143	5.285714286
Disagree	7	86	12.28571429	6.571428571
Neutral	7	46	6.571428571	1.619047619
Agree	7	265	37.85714286	30.14285714
Strongly Agree	7	286	40.85714286	36.47619048

TABLE-3- ANOVA

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	7217.428571	4	1804.357143	112.6382283	1.28419E-17	2.689627574
Within Groups	480.5714286	30	16.01904762			
Total	7698	34				

HA: There is significant impact of Employee Suggestion system on employee engagement at strategic level in IT Sector.

Inference: From the above table F calculated Value (112.6382283) is greater ( ) than F Tabulated Value (2.689628) at 5% level significance. At the same time in this output, The p-value for this statistics is p< 0.001 (reported in the table as 1.28419E-17). This means that there is evidence that there is significant impact of Employee Suggestion system on employee engagement at strategic level in IT Sector. Hence we reject null hypothesis.

TABLE -4 EMPLOYEE'S PERCEPTION ABOUT SUGGESTION SYSTEM AT TACTICAL LEVEL

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Employee's Perception about Suggestion System at Tactical Level			**Responses**		
1. Suggestions acknowledged by Organisation.	11(12.1%)	10(11%)	5(5.5%)	43(47.3%)	41(45.1%)
2. Information about the process followed.	9(9.9%)	12(13.2%)	7(7.7%)	35(38.5%)	47(51.7%)
3. Status of acceptance/rejection of proposal.	23(25.3%)	21(23.1%)	11(12.1%)	29(31.9%)	26(28.6%)
4. Given due credit to employee	15(16.5%)	14(15.4%)	9(9.9%)	33(36.3%)	39(42.9%)
5. Status of implementation of proposal	21(23.1%)	17(18.7%)	10(11%)	28(30.3%)	34(37.4%)
6. Follow up process of Proposal	19(20.9%)	25(27.5%)	11(12.1%)	31(34.1%)	24(26.4%)
7. Implementation of proposal during tenure of the employee.	23(25.3%)	27(27.9%)	7(7.7%)	28(30.8%)	25(27.5%)

TABLE- 5 ANOVA: SINGLE FACTOR

Anova: Single Factor

Employee's Perception about Suggestion System at Tactical Level				
Responses(Groups)	***Factors***	***Sum***	***Average***	***Variance***
Strongly Disagree	7	121	17.28571429	32.57142857
Disagree	7	126	18	42.66666667
Neutral	7	60	8.571428571	5.285714286
Agree	7	227	32.42857143	28.61904762
Strongly Agree	7	236	33.71428571	81.23809524

TABLE- 6   ANOVA

ANOVA						
Source of Variation	***SS***	***df***	***MS***	***F***	***P-value***	***F crit***
Between Groups	3251.714286	4	812.9285714	21.35005003	2.02546E-08	2.689627574
Within Groups	1142.285714	30	38.07619048			
Total	**4394**	**34**				

HA: There is significant impact of Employee Suggestion system on employee engagement at Tactical level in IT Sector

Inference: From the above table F calculated Value (21.35005003) is greater ( ) than F Tabulated Value (2.689627574) at 5% level significance. At the same time in this output, the p-value for this statistics is p< 0.001 (reported in the table as 2.02546E-08). This means that there is evidence that there is significant impact of Employee Suggestion system on employee engagement at tactical level in IT Sector. Hence we reject null hypothesis.

TABLE 7 - EMPLOYEE'S PERCEPTION ABOUT SUGGESTION SYSTEM AT INDIVIDUAL LEVEL

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Employee's Perception about Suggestion System at Individual Level			**Responses**		
15. Provides freedom of expression	11(12.1%)	13(14.3%)	7(7.7%)	38(41.8%)	41(45.1%)
16. Identifies areas of investment in business	14(15.45)	13(14.3%)	14(15.4%)	33(36.3%)	36(39.6%)
17. Appreciated and Motivated	9(9.9%)	6(6.6%)	7(7.7%)	49(53.9%)	39(42.9%)
18. Good Investment of time	18(19.8%)	15(16.5%)	10(11%)	35(38.5%)	32(35.2%)
19. Encouraged to participate without bias	15(16.5%)	16(17.6%)	4(4.4%)	45(49.5%)	30(33.0%)
20. A mere formality in the organisation.	18(19.8%)	12(13.2%)	3(3.3%)	42(46.2%)	35(38.5%)

TABLE 8- ANOVA: SINGLE FACTOR

Anova: Single Factor	Employee's Perception about Suggestion System at Individual Level			
Responses(Groups)	Count	Sum	Average	Variance
Strongly Disagree	6	85	14.16666667	13.36666667
Disagree	6	75	12.5	12.3
Neutral	6	45	7.5	16.3
Agree	6	242	40.33333333	37.46666667
Strongly Agree	6	213	35.5	17.1

TABLE – 9- ANOVA

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	5281.333333	4	1320.333333	68.38743094	4.28376E-13	2.75871047
Within Groups	482.6666667	25	19.30666667			
Total	5764	29				

HA: There is significant impact of Employee Suggestion system on employee engagement at Individual level in IT Sector

Inference: From the above table F calculated Value (21.35005003) is greater ( ) than F Tabulated Value (2.689627574) at 5% level significance. At the same time in this output, the p-value for this statistics is $p < 0.001$ (reported in the table as 2.02546E-08). This means that there is evidence that there is significant impact of Employee Suggestion system on employee engagement at tactical level in IT Sector. Hence we reject null hypothesis

1. From the inference of Table 1, 2, 3 , we find that the F calculated Value (112.6382283) is greater ( )than F Tabulated Value (2.689628) at 5% level significance that means an employee's perception about a proper suggestion system is good and he believes that the organization , have well structure, fair and transparent mechanism of Suggestion System.

2. From the Inference of table 4, 5, 6, we find that F calculated Value (21.35005003) is greater ( ) than F Tabulated Value (2.689627574) at 5% level significance that means that employee is aware of the systems practiced at the tactical that is operational level and he or she knows the status of the proposal.

3. From the inference of the tables 7, 8, 9, we find that From the above table F calculated Value (21.35005003) is greater ( ) than F Tabulated Value (2.689627574) at 5% level significance that means, employee is individual encouraged, motivated and satisfied with the practices about suggestion system practiced at his or her organization and believes it to be a good investment of time and business areas and not a mere formality.

SUGGESTIONS

1. The companies need to provide more clarity on specific or core areas and invite concerned group of employees only, whose interest is directly related to the issues discussed.

2. Employee feels motivated when his/her suggestion is accepted and appreciated, but at the same time it is important to uphold the morale of the employees whose suggestions are rejected, because it might completely demotivate and make them uninterested in the process.

3. It is advisable to clearly mention the convincing reason to an employee regarding the rejection of his or her suggestion. This might help the employees to understand and encourage thinkingon wider levels from the organizational perspective.

4. When Proposal suggested by an employee is put in practice during his or her tenure in the Organization and given due credit for it.Employee feels highly motivated, gains confidence and exhibit more commitment, loyalty and honestly which are the key factors to the engage the employees towards the organization.

5. Companies can build a knowledge hub based on the successfully implemented suggestions at the work place, measure the performance of the company and make them the benchmarking practices in the area of their business.

LIMITATIONS

1. The research is limited to a small sample size.

2. Collecting the data was a time consuming process. Analysis was done on the assumption that the target employees have given the correct information through the questionnaire.

3. Some of responses provided by the employee's might not be reliable (Bias).

CONCLUSION

It is evident from the above study that employee's suggestion undoubtedly plays an important role in identifying and enhancing the knowledge, skill and abilities of employees at their workplace. This tool can be effectively used as an engagement strategy by the organization. An employee is more committed, exhibits honesty and sincerity towards his work, when he or she feels that their suggestions are not only heard, but also implemented in building a stronger organization. A proper motivation, a rightful approach in channelizing the suggestions, creating a suggestion hub to encourage innovation and creativity can led any organization to use its resources more effectively and achieve higher milestones.

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