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A STUDY ON EMPLOYEE AND EMPLOYER RELATIONSHIP MANAGEMENT

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ABSTRACT

Using information technology to establish and sustain personalised, mutually beneficial relationships with employees is the new norm in human resource management, a practice known as employee relationship management (ERM). A company's most valuable resource is its workforce. It is critical that the staff works together as one and each person does their part to achieve the shared objective. Nevertheless, there is a lack of understanding and consensus surrounding ERM due to its early and continuously developing stage. In this section, the project seeks to define the concept and provide conclusions for future study. This leads to the presentation of an intriguing concept's initial broad framework. The following study directions are proposed based on the outline: more theoretical and empirical examination of ERM, and the major consequences of these findings. Modern approaches to employee relationship management have centred on making it easier for workers to work together with their bosses on routine administrative duties. Enterprise risk management (ERM) platforms seek to streamline workflows by incorporating inputs from both employers and employees in order to align their interests and those of the company. We are considering an equation in which the variables that cause successful employment connections are scientific management, industrial welfare, and human interactions..

INTRODUCTION

The word "Employee Relationship Management" (or "ERM"), which means "management of the relationship with the employees" in English, describes the application of technology to HR management. Putting the employee first, this idea stems from customer relationship management.
This entails setting up a specialised system for managing human resources, sometimes known as an HRIS, which allows for the resolution of any issue pertaining to the connection between an organization and its workers, including:
Maintaining productive, motivating, and morale-boosting connections between employers and employees is the focus of employee relations. Conflicts between persons that develop in the course of or as a result of their employment are the primary focus of employee relations.

Managers get guidance on how to address issues of bad performance and wrongdoing on the job. When deciding how to discipline employees or handle their complaints or appeals, it is important to keep in mind progressive discipline as well as any applicable regulations or other requirements. Staff members are enlightened on management's objectives and policies through the dissemination of relevant information. Additionally, employees are given information to help them improve their performance, handle any misconduct, whether it's on or off the job, or deal with personal matters that impact their work.

All relevant laws, statutes, and collective bargaining agreements are communicated to the staff. Additionally, employees are informed about their rights to file grievances and appeals, as well as their protections against discrimination and whistleblowers.

REVIEW OF LITERATURE

1. Kumar, R. & Singh, P. (2025)

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In this research, we looked at how digital work environments affect employee-employer relationships and organisational sustainability. Researchers discovered that open communication, trust, and participatory decision-making greatly enhance organisational performance and employee commitment using survey data from workers across technological companies. Researchers found that companies with good lines of communication between management and staff were better able to respond to technology shifts and hold on to their best employees..

2. Johnson, M. & Carter, L. (2025)

The function of psychological contracts in moulding relationships at work was the subject of the investigation. Employees show more loyalty and involvement when their expectations for advancement chances, pay, and recognition are met by their employers, according to the findings. Psychological contract breaches have a detrimental impact on trust and job satisfaction, showing how important it is for both parties to have reasonable expectations in the workplace..

3. Sharma, A. & Verma, N. (2024)

In order to determine if there is a connection between employer support and organisational outcomes, this study looked at the role of employee engagement as a mediator. Leadership strategies that are supportive of their employees raise engagement levels, which in turn boosts productivity and keeps more employees around. According to the results, engagement is one of the most important ways for employers and employees to build stronger relationships..

4. Brown, T. & Wilson, J. (2024)

The impacts of high-quality communication on trust in the workplace were examined in the study. Trust between employers and employees is greatly enhanced when communication lines are open, according to data gathered from international organisations. Organisational commitment and intention to leave were both positively correlated with trust levels..

5. Medina-Garrido, J.A., Biedma-Ferrer, J.M. & Ramos-Rodriguez, A.R. (2023)

The effects of work-family regulations on workers' happiness and productivity on the job were the focus of the study. The findings demonstrated that family-friendly policies and flexible work arrangements boost employee well-being, which in turn boosts job performance. The study emphasised that having the support of employers is crucial for fostering strong relationships in the workplace.s.

6. Lee, S. & Kim, H. (2023)

Relationships in the workplace and the impact of remote work were the foci of this investigation. The results indicated that trust and happiness among employees were higher in companies that spoke with them frequently and provided feedback on their performance. Productivity in remote employment was highly dependent on the nature of the employer-employee relationship..

7. Ahmed, K. & Rahman, S. (2022)

Employee dedication and the role of employer assistance were the foci of the research. The findings showed that employee loyalty is positively impacted by supportive supervision, fair treatment, and acknowledgement. There was a correlation between employees' perceptions of organisational assistance and their level of commitment and retention intentions..

8. Nguyen, T. & Parker, D. (2022)

In this study, we looked at how organisational justice affects relationships in the workplace. Employee satisfaction and trust are greatly enhanced by fair procedures, equal compensation, and clear policies, according to the findings. A basis for long-term job partnerships was determined to be fair treatment..

9. Garcia, M. & Roberts, P. (2021)

The effect of different leadership styles on interactions at work was the focus of the research. Employee motivation, trust, and communication were all shown to improve under transformational leadership. Job satisfaction and loyalty to the company were both boosted by employees who worked with transformative leaders..

10. Patel, V. & Shah, R. (2021)

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The connection between employee voice methods and employer response was examined in this study. The results showed that trust and workplace harmony were better for organisations that let employees have a say in company decisions. Positive employer-employee interactions were greatly aided by employee voice.

Research Gap

Topic: Employee and Employer Relationship Management

Although considerable research has been conducted on employee–employer relationship management, several important gaps remain. Most existing studies focus on traditional aspects such as communication, employee engagement, job satisfaction, organizational commitment, and conflict resolution. However, limited research has examined how modern workplace practices, including hybrid work models, digital communication platforms, artificial intelligence in human resource management, and flexible work arrangements, influence employee–employer relationships. Furthermore, many studies are concentrated on large multinational organizations, while comparatively fewer have explored relationship management in small and medium enterprises (SMEs), startups, and Indian organizations. There is also a lack of longitudinal studies investigating how employee–employer relationships evolve over time and affect long-term organizational outcomes such as retention, productivity, innovation, and organizational performance. Additionally, limited attention has been given to generational diversity (Gen Z, Millennials, Gen X), employee well-being, psychological safety, diversity and inclusion, and the role of ethical leadership in strengthening workplace relationships. Therefore, future research should focus on integrating technological advancements, leadership practices, employee well-being, and organizational culture to develop comprehensive relationship management models suitable for the contemporary workplace.

Conceptual Frameworks for Employee and Employer Relationship Management

1. Social Exchange Theory (SET)

Developed by: George Homans (1958); further developed by Peter Blau (1964)

This theory suggests that employee–employer relationships are built on reciprocal exchanges. When employers provide support, fair treatment, rewards, and recognition, employees respond with loyalty, commitment, trust, and improved performance. Positive exchanges strengthen long-term organizational relationships.

Variables

- Independent Variable: Employer Support
- Mediating Variable: Employee Trust
- Dependent Variable: Employee Commitment and Performance

OBJECTIVES OF THE STUDY

1. 1. From a disciplinary standpoint, to propose actions to enhance the Relations.
2. 2. To investigate the parameters of relational and sanitary content.
3. 3. To investigate how employee-employer relations affect productivity and performance.
4. 4. Determine what makes a difference in terms of employee happiness and loyalty to the company.
5. 5. Evaluate the efficacy of the current methods of management and employee communication.

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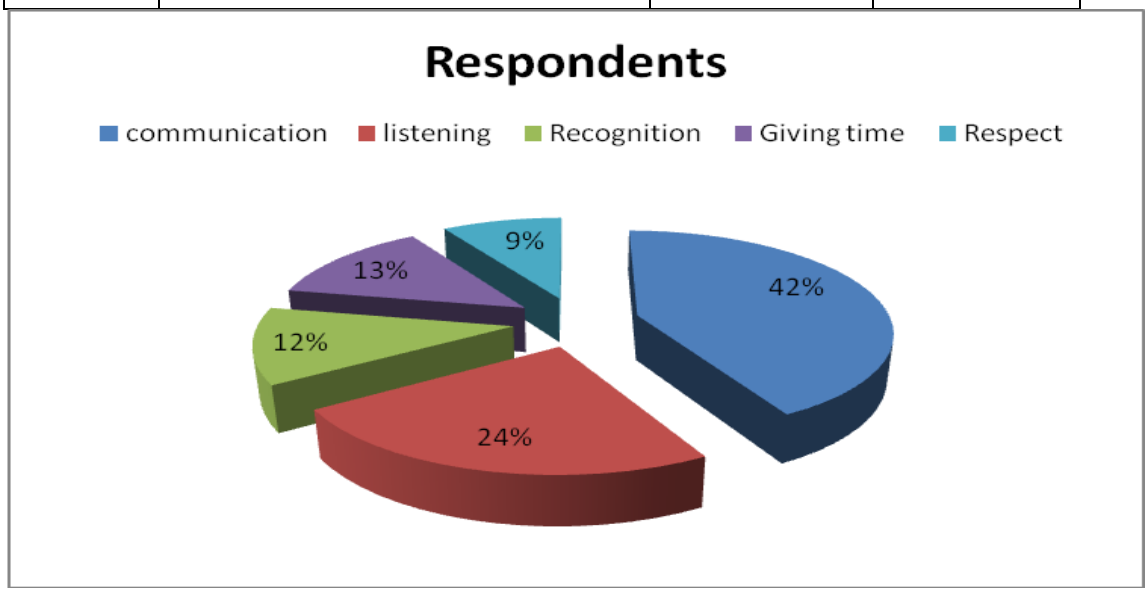
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DATA ANALYSIS AND INTERPRETATION:

1. What's the most important or key aspect of building workplace relationships? Tick as appropriate.

S.NO	Building workplace Relationship	Respondents	Percentage
1	communication	42	42
2	listening	24	24
3	Recognition	12	12
4	Giving time	13	13
5	Respect	9	9
	Total	100	100



INTERPRETATION:

Based on the data presented in the figure, 42% of employees are actively involved in interacting with the organization, 24% are actively listening, 12% are recognising, 13% are volunteering their time, and 9% are showing respect..

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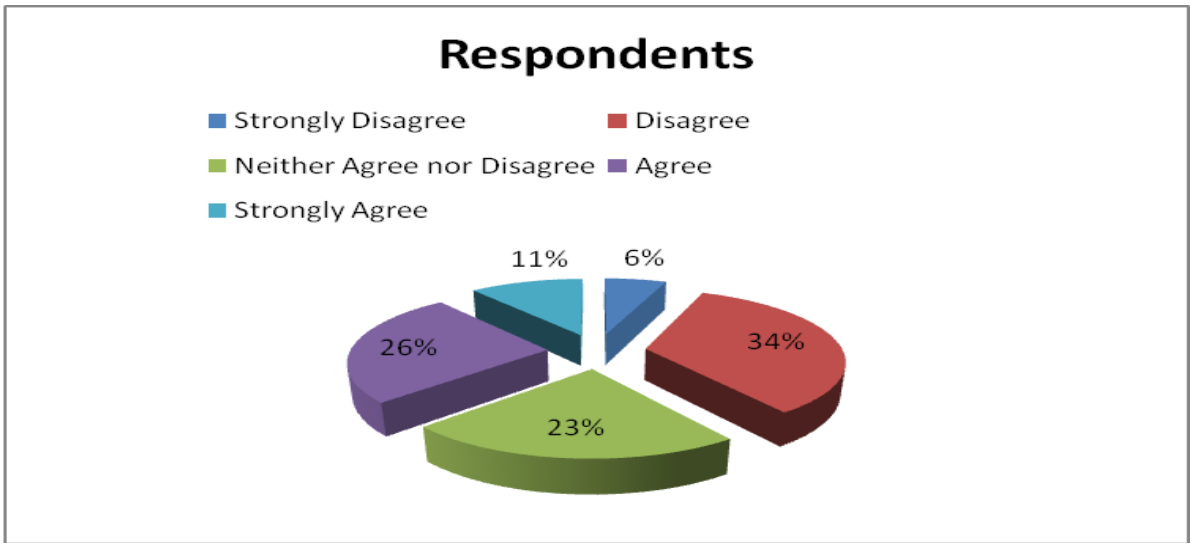
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2. The people here are pleasant and co-operative to work with

S. No	Pleasant and cooperative to work	Respondents	Percentage
1	Strongly Disagree	6	6
2	Disagree	34	34
3	Neither Agree nor Disagree	23	23
4	Agree	26	26
5	Strongly Agree	11	11
	Total	100	100



INTERPRETATION:

According to the data shown above, 34% of respondents disagreed, 26% agreed, 23% were unsure, 11% strongly agreed, and 6% strongly disagreed that working with a corporation was pleasant and cooperative..

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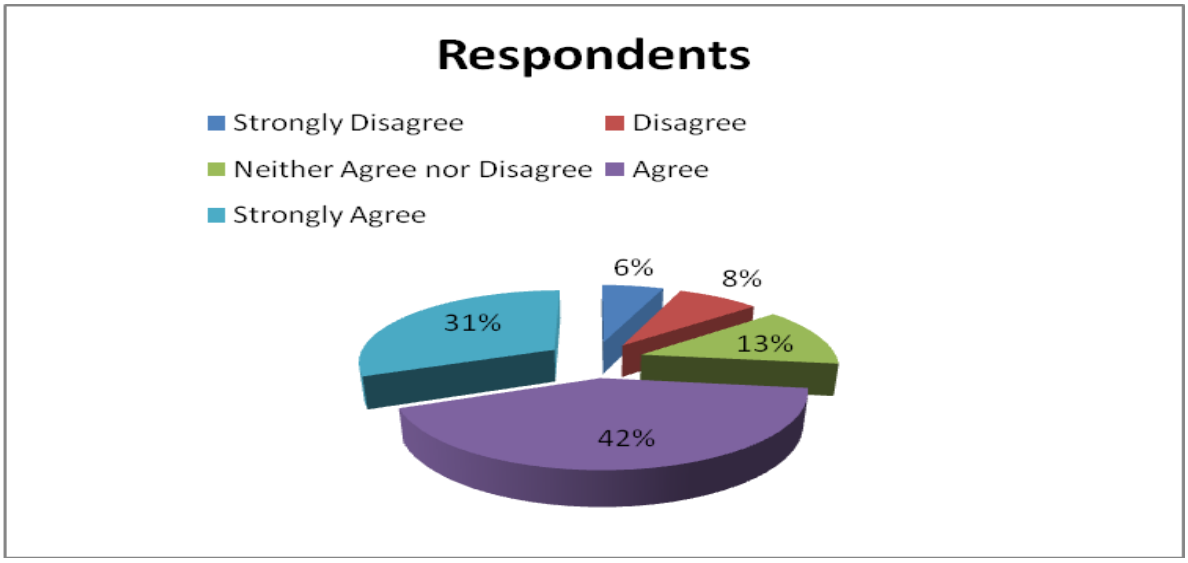
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3. The benefits offered here are fair and reasonable

S. No	Benefits Offered	Respondents	Percentage
1	Strongly Disagree	6	6
2	Disagree	8	8
3	Neither Agree nor Disagree	13	13
4	Agree	42	42
5	Strongly Agree	31	31
	Total	100	100



Interpretation: The following figure shows that 42% of respondents agreed that the perks offered are reasonable and fair to the employer, 31% strongly agreed, 13% were unsure, 8% disagreed, and 6% strongly disagreed..

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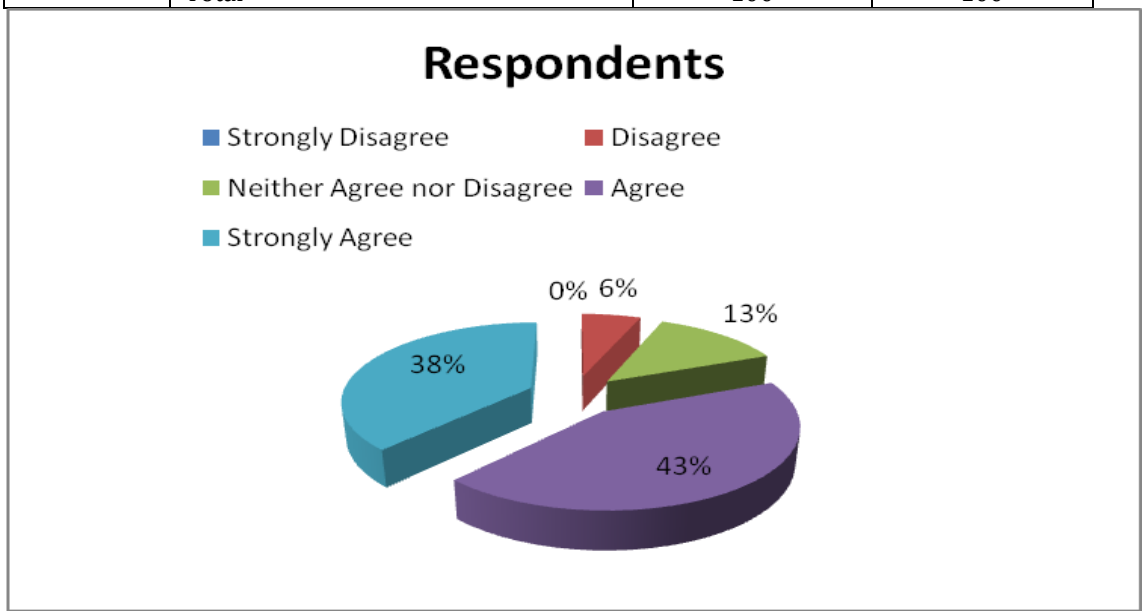
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4. I have the materials and equipment I need to do my job efficiently

S. No	Need to do the job efficiently	Respondents	Percentage
1	Strongly Disagree	0	0
2	Disagree	6	6
3	Neither Agree nor Disagree	13	13
4	Agree	43	43
5	Strongly Agree	38	38
	Total	100	100



INTERPRETATION:

According to the data presented above, 43% of respondents agreed, 38% strongly agreed, 13% were unsure, 6% disagreed, and 0% strongly disagreed that this was necessary for the company's success..

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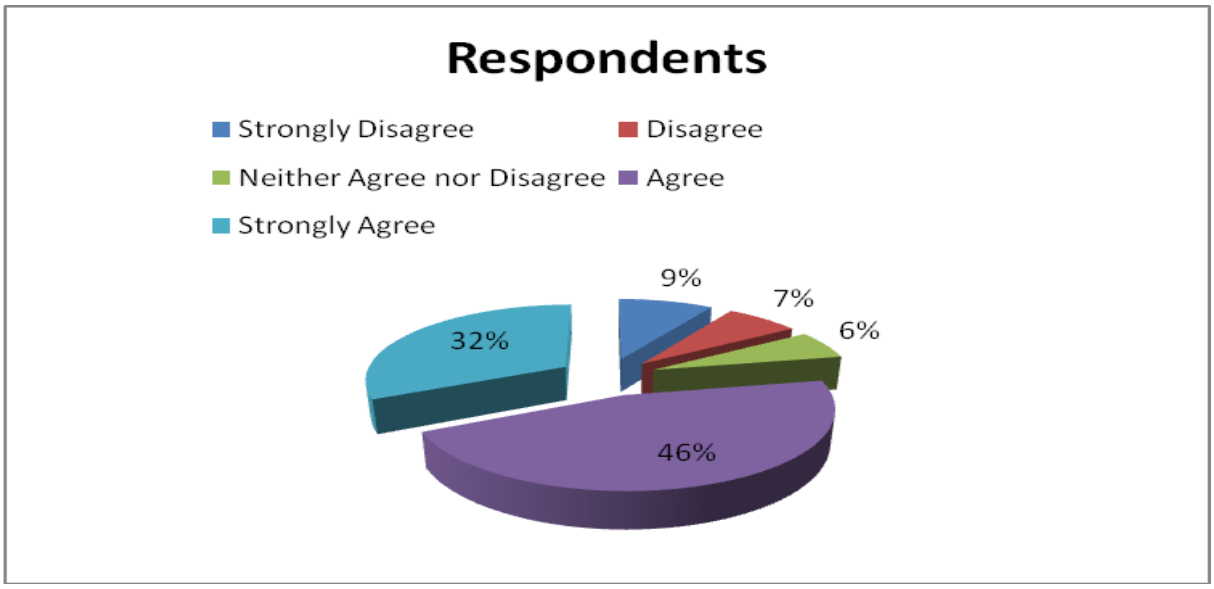
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5. I receive the information and communication I need to do my job

S. No	Need to do my job	Respondents	Percentage
1	Strongly Disagree	9	9
2	Disagree	7	7
3	Neither Agree nor Disagree	6	6
4	Agree	46	46
5	Strongly Agree	32	32
	Total	100	100



INTERPRETATION:

According to the data presented in the graph, 46% of respondents agreed, 32% strongly agreed, 9% disagreed, 7% were unsure, and 6% were in the middle. This means that 46% of respondents feel that they receive the information and communication they need to accomplish their jobs well for the organization..

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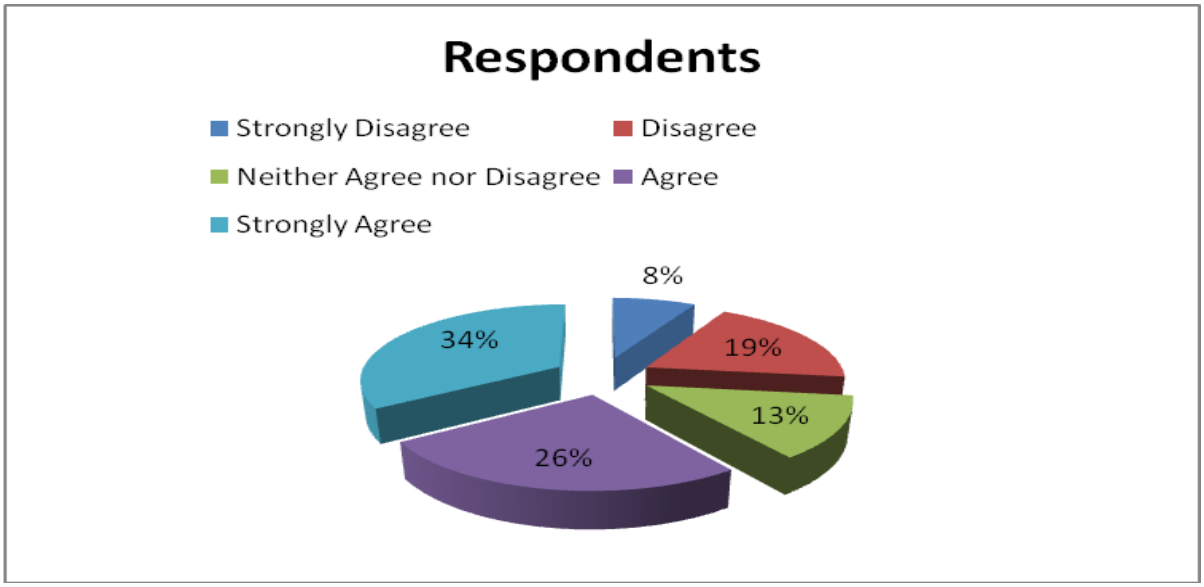
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6. I regularly receive recognition/praise for doing good work

S. No	Praise for doing work	Respondents	Percentage
1	Strongly Disagree	8	8
2	Disagree	19	19
3	Neither Agree nor Disagree	13	13
4	Agree	26	26
5	Strongly Agree	34	34
	Total	100	100



INTERPRETATION:

According to the data presented above, 34% of respondents very agreed, 26% agreed, 19% disagreed, 13% were unsure, and 8% strongly opposed that employees should receive acknowledgement for their contributions to the organization..

FINDINGS:

- According to 42% of workers, company-wide communication aids in forming relationships at work, and 46% said they get enough information to do their jobs well.42% of workers think the perks offered by the firm are reasonable and fair, while 34% think their coworkers are nice and helpful.
- In order to do their tasks well, 43% of employees said they had enough supplies and tools.
- Nearly half of the employees (46%) believe that their thoughts and opinions are valued by the company, and nearly half (48%) say that their supervisors provide them with feedback and direction.
- Just a third of workers are consistently acknowledged for their efforts, and even fewer are supported in their efforts to advance professionally.

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- Only 26% of workers believe their bosses genuinely care about them as individuals, although 33% have a good grasp on their responsibilities.
- Nearly half of the employees would stay put if given a comparable opportunity elsewhere.
- While 54% of workers were pleased with their employer's performance as a whole, 43% were content with their workplace and the support they received from management, and 35% were content with both their employment and the facilities provided by the business..

SUGGESTIONS:

- - Hold frequent meetings and organise events to enhance workplace communication and foster stronger connections among employees, supervisors, and management.
- In order to enhance the work environment, employee engagement, and attitudes, it is recommended that employees be more involved in making decisions.
- Create an efficient method of acknowledging and rewarding employees for their hard work in order to inspire them to do better.
- Foster a culture that is accommodating and encouraging to employees by handling their personal and family-related issues with understanding and adaptability.
- Collaborative efforts and clear lines of communication can enhance the level of cooperation between employers and employees.
- In order to boost productivity and organisational performance, hold training programs for executives and lower-level personnel on employee empowerment, shared leadership, and responsibility readiness..

CONCLUSION:

In order to accomplish organisational goals and keep morale high, employee-employer interactions are crucial. Cooperation, trust, and the development of the company are all outcomes of a positive employer-employee relationship. Both sides need to put forth the effort to keep the peace as workplace dynamics are always changing.

On six dimensions—communication, value of people, clarity, power sharing, information sharing, and learning opportunities—the study assessed the preparedness for employee empowerment. The results show that executives value human resources and are in favour of open lines of communication, sharing of relevant information, and staff development.

All things considered, the company is in a fair amount of readiness for employee empowerment. Executives are generally supportive of opportunities for learning and empowerment, but they may stand to improve in areas like clarity and power distribution. The results cannot be applied to the full organization of Indiabulls because the study was conducted on just one unit..

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