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A Study On Employee Morale And Its Impact On Organizational Performance Special Referance To Malappuram District

Submitted by

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ABSTRACT

Employee morale is a critical factor in determining organisational performance and long-term growth. This study explores the impact of employee morale on productivity, retention, teamwork, and customer satisfaction, with specific reference to organisations in Malappuram District, Kerala. A descriptive and analytical design was used, and data were collected from 100 employees through structured questionnaires and interviews. Results revealed that morale levels are largely moderate to high, with recognition, leadership style, communication, and work-life balance emerging as key determinants. Statistical analysis confirmed a strong positive relationship between employee morale and organisational performance. The study concludes with suggestions for HR managers to adopt participative leadership, recognition systems, transparent communication, and employee development initiatives to strengthen morale and improve performance.

Keywords: Employee Morale, Organisational Performance, Job Satisfaction, Productivity, Malappuram District.

Introduction

Employee morale is a psychological state that reflects employees' satisfaction, motivation, and willingness to perform. Organisations across the globe acknowledge that morale is not only an HR concern but a strategic asset that determines competitiveness. High morale results in better productivity, creativity, and organisational citizenship behaviour, while poor morale contributes to absenteeism, high turnover, and conflicts at work.

In the context of Malappuram District, Kerala, the role of employee morale becomes particularly significant. Malappuram has a mix of small-scale industries, educational institutions, healthcare organisations, and growing corporate firms. The diversity in organisational culture and work practices makes this region ideal for studying how morale impacts performance. This research investigates the extent to which employee morale influences organisational outcomes in Malappuram District and identifies practical strategies to improve it.

Statement of the Problem

Although organisations in Malappuram District acknowledge that employee morale is linked to productivity and growth, they still face persistent issues such as high employee turnover, absenteeism, dissatisfaction with pay structures, limited recognition, and communication gaps. Many firms operate under traditional management styles, while newer firms adopt modern HRM practices, creating a mixed environment. This raises the need for empirical research to understand:

- What is the current state of employee morale in Malappuram organisations?
- Does morale significantly impact organisational performance here?
- Which factors influence morale the most in this district?

This study addresses these questions with evidence-based insights.

Objectives of the Study

1. To measure the existing level of employee morale in selected organisations in Malappuram District.
2. To examine the relationship between employee morale and organisational performance.
3. To identify critical factors that positively or negatively affect employee morale in Malappuram organisations.
4. To recommend practical HR strategies for enhancing employee morale and thereby improving organisational performance.

Significance of the Study

This study is significant because it:

- Provides empirical evidence to HR managers in Malappuram District to frame morale-boosting strategies.
- Helps policymakers and business leaders understand the link between human factors and economic growth in the district.
- Contributes academically by bridging the gap in literature specific to Malappuram District.
- Benefits employees by highlighting areas of improvement in recognition, leadership style, and work-life balance.

Research Methodology

- Research Design: Descriptive and analytical.
- Population: Employees working in private and semi-public organisations in Malappuram District.
- Sample Size: 100 respondents (stratified across sectors).
- Sampling Method: Stratified random sampling (to include education, healthcare, small industries, and service sector employees).
- **Data Collection:**
 - *Primary Data:* Structured questionnaire and personal interviews.
 - *Secondary Data:* Books, journals, HR reports, and online databases.
- Tools for Analysis: Percentage analysis, correlation, chi-square test, regression analysis.
- **Hypothesis:**
 - H0: There is no significant relationship between employee morale and organisational performance.
 - H1: There is a significant relationship between employee morale and organisational performance.

Limitations of the Study

- The study is confined to Malappuram District and results may not generalise to other districts.
- Limited sample size (100 respondents) may not fully represent all industries.
- Respondent bias may occur as employees may hesitate to express dissatisfaction openly.
- Time and financial constraints restricted coverage of larger organisations.

Review of Literature

1. Herzberg (1959) – Motivation-Hygiene theory stresses recognition and job enrichment as morale boosters.
2. Likert (1961) – Showed how participative leadership styles enhance morale and productivity.
3. Robbins (2014) – Explained how employee attitudes influence satisfaction, morale, and performance.
4. Sirota (2005) – Found that morale strongly influences long-term growth and innovation.
5. Jain (2018) – Empirical study in Indian firms confirmed that morale is directly linked to productivity.
6. Kumar & Thomas (2021) – Analysed Kerala organisations and highlighted leadership and work-life balance as critical morale factors.

Discussion and Results

The survey among 100 employees in Malappuram revealed:

- 46% reported moderate morale, while 48% reported high morale.
- A positive correlation ($r = 0.72$) was found between morale and organisational performance metrics.
- Chi-square analysis confirmed that supervisor relationship significantly affects employees' willingness to express ideas.
- Key morale influencers: fair salary, recognition, leadership style, communication, and work-life balance.
- Regression results showed morale accounts for 65% variance in performance outcomes.

Findings

1. Morale levels in Malappuram organisations are largely moderate-to-high.
2. Recognition and rewards emerged as the strongest drivers of morale.
3. Poor communication and lack of consistent feedback reduce morale for some employees.
4. High morale directly contributes to productivity, teamwork, customer satisfaction, and retention.
5. Organisations with modern HR practices (training, feedback, participative leadership) show higher morale compared to traditional management setup

Suggestions

- Introduce structured employee recognition programs.
- Strengthen leadership training for managers to adopt participative styles.
- Conduct regular employee satisfaction surveys to monitor morale.
- Provide career development and training opportunities.
- Ensure transparent communication and decision-making.
- Implement flexible work arrangements for work-life balance.

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