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An Analysis of Employee's Perception Regarding the Impact of Corporatization: A Study of PSPCL And PSTCL

Kurumsallaşmanın Etkisine İlişkin Çalışan Algısının Analizi: PSPCL ve PSTCL Üzerine Bir Araştırma

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ANAHTAR KELİMELEER

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PSTCL

İş memnuniyeti

şirketleşirme

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Job Satisfaction

Corporatization

Structural Reforms

ÖZ

İnsan kaynakları, herhangi bir sektörün temel bileşeni olarak kabul edilir ve insan kaynaklarının önemli davranışsal çıktılarından biri de çalışan memnuniyetidir. Çalışanların yenilikçiliğinin ve üretkenliğinin ancak daha yüksek düzeyde iş tatmini ile geldiği anlaşılmaktadır. İnsanlar, çalışma ortamlarındaki değişikliği kabul etmeye isteksizdir; Örgüt yapısal reformlara girerse, örgütün çalışma kültürünü mutlaka etkiler. Punjab'ın enerji sektöründe olduğu gibi, Punjab Devlet Elektrik Kurulunu iki kısma ayıran yapısal reformlar 2010 yılında başladı: Punjab State Power Corporation Ltd (PSPCL) ve Punjab State Transmission Corporation Ltd (PSTCL). Bu araştırma, şirketleşmenin çalışanlar üzerindeki etkisine ilişkin çalışan algısına odaklanmaktadır. Bunun için, her iki kuruluştan yeterli sayıda katılımcı, ilgili kuruluşa bağlı olarak orantılı olarak seçilmiştir. Çalışma, çoğu çalışanın, ister PSPCL ister PSTCL olsun, kuruluşun kendilerine adil ücret ve terfi fırsatı sağladığı konusunda hemfikir olduğunu gösteriyor. Çalışmada yer alan tüm faktörlerden, "beceri ve yeteneklerin kullanımından memnuniyet" adlı faktörün, tüm faktörler arasında puanı en düşüktür; bu, çalışanların çoğunluğunun becerilerini ve yeteneklerini geliştirme fırsatı için yönetimin daha fazla olanak sağlaması gerektiğini düşündüğünü göstermektedir.

ABSTRACT

Human resources are considered to be the main constituent of any sector and one of the significant behavioural outcomes of human resources is employee satisfaction. It is perceived that the innovation and productivity of employees only come with a higher level of job satisfaction. Humans are reluctant to accept change in their working environment; if the organization goes under structural reforms, it definitely affects the work culture of an organization. As in the case of Punjab's power sector, the structural reforms started in the year 2010, which divides the Punjab State Electricity Board into two parts: Punjab State Power Corporation Ltd (PSPCL) and Punjab State Transmission Corporation Ltd (PSTCL). The present research focuses on the perception of employees regarding the impact of corporatization upon them. For this, an adequate number of respondents from both organizations was selected proportionately depending on their respective organizations' total strength. The study shows that most employees agreed that the organization is providing them equitable pay and promotional opportunity, whether it is PSPCL or PSTCL. Out of all the factors concerned in the study, there is one factor named "satisfaction with use of skills and abilities" in which the mean score is the lowest among all factors, which represents that the majority of employees feel that management should provide more facility and opportunities to enhance their skills and abilities.

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1. Introduction

Professionals have long contended that the upper hand is a benefit over competitors acquired by offering a more prominent worth to customers. In other words, competitive advantage is what separates a firm from its opponents. Drawing on the asset-based theory, the upper hand can be accomplished when a firm has a bunch of unfaltering assets. Wright et al. (1994) added that "a sustained upper hand exists just when different firms are unequipped for copying the advantages of an upper hand." with regards to HR arranging, work and other representative-related issues are basic factors that should be thought of.

Specifically, the HR arranging process should include human resources and possible abilities of representatives, as well as hierarchical preparation concerning staffing. The logical current of the hypothetical underpinnings of the executives (Taylor, 1911), puts more accentuation on the plan of occupations to proficiently and properly utilize the human abilities being referred to. Wright et al. (1994) noticed that "HR can be portrayed as a product as opposed to an uncommon asset; in any case, to the degree that positions require abilities that consider variety in individual commitments (i.e., when it is as of now not aware), these abilities ought to typically be dispersed in the populace." Further, the associations disregarded the job of HRM in the development cycle which is vital for giving the association an upper hand; to do as such, the association ought to take on an imaginative way of behaving in HRM arranging connected with a system of reward to raise the satisfaction level of employee (Amarakoon et al., 2018; Elrehail et al., 2018).

2. Literature Review

In order to discover the conceptual framing behind the human behavioural outcome, appropriate literature has been assessed and synthesized. A number of national and international studies have been reviewed and major resources enlightening about the theoretical foundation of human resources have been studied. The review of related literature is as follows:

Emmerik et al. (2005) the study conducted on 178 respondents out of which 101 are males and 77 are females. The researcher uses a web questionnaire technique. The study is conducted in three different types of organizations i.e., a city council, a university, and a bank. The researcher examines the relationship between burnout and altruism. The results show that OCB and burnout are affected by altruism but OCB was negatively linked with personnel objectives.

Rao (2005) while describing how employees can participate in management it is described by the International Institute for Labour Studies that involvement brought about by procedures that broaden the employee share's potential of power in the decision-making process at various organisational levels with simultaneous acceptance of

responsibility.

Kesar Singh Bhangoo (2008) the regional pattern of industrial dispute in the state of Punjab from 1967 to 2003 through secondary data based on various government reports, revealed that in the pre-economic reform era i.e., from 1967 to 1990 that the number of disputes raised by the employees and the man-days lost was much higher than in the post-economic era i.e. 1991 to 2003. Adjudication remained the most dominant method for the settlement of 42 disputes indicating the inefficiency of the dispute settlement machine.

Asha Prasad (2006) grasps the relationship between the restructuring system and representative change in two power circulation organizations of Delhi, BSES (Dependence) and NDPL (Goodbye Power). The discoveries uncovered that employees were not kept very much informed about the rebuilding brought about uneasiness, associations didn't get a lot of warm greetings subsequently leaving the worker shaky, and representatives have fears in regards to their government-managed retirement benefits being given by the association in a long run. The VRS scheme has been a finished disappointment and the representative were not given their contribution on time.

Kundu and Mishra (2012) concentrated on the effect of change and privatization on workers it is a contextual analysis of power sector reforms in Orissa, India. Before Delhi, it is Orissa and the main Indian state where power sector reforms occurred. The state power board was unbundled and separate organizations were framed for the generation, transmission, and dispersion of electricity. The 11 factors were concentrated on specific costs to the organization per unit of time, learning experience, cooperation, working climate, and employer stability equipped for making sense of and anticipating representative benefits. The outcome showed them this large number of factors have expanded and moved along, subsequently reasoned that workers have been helped by the changes.

3. Research Methodology

Research is a precise, huge, basic, and logical quest for critical data embraced to find realities or approve open proposals. Great exploration observes methodical guideline conventions and rules. It alludes to a coordinated methodology by which examinations, perceptions, and correlations are made in the mission of truth. It refers to an exact report by which an exploration issue is distinguished and information is gathered and assessed involving logical strategies and methods to make derivations and arrive at a resolution (Chawla and Sondhi, 2011; Kothari, 1990).

Objective of Research

To analyze employees' perceptions regarding the impact of structural reforms in the power sector of Punjab.

Sampling Design

Sampling is the technique of statistical practice, which is intended to draw some inferences about the population with the selection of individual observations. To know the perception of employees regarding the impact of corporatization upon them, an adequate number of respondents from both organizations was selected on a proportionate basis depending upon the total strength of their respective organizations. The sample size of a minimum of 373 employees was calculated by the formula given by Godden, B. (2004) for a population of 33,272 employees. Initially, 400 questionnaires were distributed from which 22 questionnaires were rejected in a screening stage due to wrong and ambiguous answers. The responses of 378 employees from both organizations were gathered from which 308 and 70 belong to PSPCL and PSTCL respectively.

Data Analysis and Interpretation

To study the perception of employees regarding the impact of corporatization upon them, sequential steps have been taken.

As the study is exploratory and qualitative in nature, on the basis of content validity, a schedule containing 17 items was finalized to gather responses from 400 employees, resulting in a response rate of 94.5% (378 employees). Using a judgemental sampling, responses were gathered on a five-point Likert Scale varying between Strongly Disagree to Strongly Agree. Internal consistency of 0.921 was shown by Cronbach's Alpha which is higher than the minimum acceptance value of 0.70 (Nunally, 1978). There were no impressions of inconsistent data due to zero missing frequency and properly engaged respondents. As the nature of the study is exploratory, therefore various items were asked to check the satisfaction level of employees under various factors.

Exploratory Factor Analysis

Purification of the construct was done using SPSS (version 20.00). A total of 17 items were used to assess employees' perception regarding the impact of corporatization upon them in form of their satisfaction level. After applying EFA, five factors have been extracted under the construct to assess the perception of employees with Cronbach's Alpha Reliability Coefficient varying from 0.891 to 0.971 for all the underlying 17 items in the construct. The Alpha coefficient of F1 ($\alpha=0.912$), F2 ($\alpha=0.971$), F3 ($\alpha=0.925$), F4 ($\alpha=0.903$), and F5 ($\alpha=0.891$), which shows good internal consistency against the minimum acceptable value is $\alpha=0.70$ (Nunally, 1978). The overall score of Alpha ($\alpha= 0.921$) is very much satisfactory and the Kaiser-Meyer-Ohlin sample adequacy measure is 0.864 with a minimum factor loading value of 0.778, which indicates a significant validity and reliability of construct to assess the perception of employees (Hair et al., 2014).

Employee's views on the impact of corporatization

There are some assumptions for the application of Exploratory Factor Analysis, that the nature of data, adequate sample size, and there should be multi-co linearity in the data to identify the interrelated sets of variables ((Hair et al., 2014). There is a thumb rule that observations are at least five times the number of variables (Hair et al., 2014). After considering these assumptions, raw data used in this study is suitable for factor analysis as examined through KMO value, Bartlett Test for sphericity, and p-value as represented in table 1.1 (Dess et al., 1997 and Field, 2000).

Table 1.1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.864
Bartlett's Test of Sphericity	Approx. Chi-Square	6.103
	Df	136
	Sig.	.000

Source: Survey

Bartlett's Test of Sphericity disproves the null hypothesis that the population correlation matrix is an identity matrix. The approximate value of chi-square is 6.103 with a degree of freedom 136, which is found to be significant at a five percent level. The KMO statistics value is .864 which is more than the minimum acceptable value of 0.5 as recommended by Kaiser, 1974 (Hutcheson & Sofroniou, 1999; Malhotra & Birks, 2006). Thus, Factor Analysis is an appropriate technique for the analysis.

Five components were extracted using Principal Components Analysis in rotation mode with the Varimax Rotation Method and Kaiser's Criterion of keeping the factors with Eigen values ≥ 1 and suppressing the factor loading of 0.5. (Field, 2009). After rotation, the relative importance of the five factors is equalized and a cumulative variance of 84.35% has been explained by all the five factors taken together which is higher than the minimum of 60% (Malhotra & Birks, 2006). From all the statements, 17 statements under the construct were retained after rotation as the communality of these statements ranges from 0.709 to 0.947 demonstrating a moderate to the strong linear connection between the variables. The mean, standard deviation, factor loading, and communalities of all the variables are represented in table 1.2 and 1.3.

Table 1.2: Output of Exploratory Factor Analysis using RCM

Factor Wise Dimension	Mean	Standard Deviation	Factor Loading	Communality
FACTOR 1: Satisfaction with Pay and Promotional Opportunities (Eigen Value- 7.629, Variance Explained-22.557, Cumulative Variance Explained-22.557, Alpha-0.912)				
I am satisfied with the pay I receive	3.71	1.036	0.877	0.804
I am satisfied with the promotional opportunities	3.44	1.171	0.817	0.709
I am satisfied with the security my job provides me	3.94	0.923	0.828	0.766
I am satisfied with the benefits I receive	3.71	0.983	0.881	0.859
I am satisfied with my organisation that	3.72	1.010	0.778	0.754
FACTOR 2: Satisfaction With Work Relationships (Eigen Value- 2.536, Variance Explained-16.755, Cumulative Variance Explained-39.313, Alpha- 0.971)				
Relationship with my co-workers has improved	3.80	0.858	0.904	0.947
Relationship with my subordinates has improved	3.82	0.855	0.899	0.946
Relationship with my superiors has improved	3.75	0.861	0.895	0.931
FACTOR 3: Satisfaction with Work Activities (Eigen Value- 1.706, Variance Explained-15.449, Cumulative Variance Explained-54.762, Alpha- 0.925)				
Management provided me with enough degree of independence associated with my work roles	3.57	0.925	0.882	0.914
Management provided me with various job responsibilities	3.66	0.869	0.868	0.859
Management provided me with adequate opportunity for periodic changes in my duties	3.49	0.953	0.844	0.851
FACTOR 4: Satisfaction with Working Hours (Eigen Value- 1.359, Variance Explained- 15.114, cumulative Variance Explained- 69.876, Alpha- 0.903)				
I am satisfied with my current working hours	3.92	0.937	0.810	0.799
My organization has provided me with enough flexibility for scheduling my work	3.70	0.998	0.870	0.877
Working beyond duty hours has decreased	3.60	1.061	0.868	0.851
FACTOR 5: Satisfaction with the Use of Skills and Abilities (Eigen Value- 1.110, Variance Explained- 14.479, Cumulative Variance Explained- 84.355, Alpha- 0.891)				
My organization has provided me with enough opportunity to utilize my skills	3.42	0.968	0.857	0.775
My organization has provided me with enough opportunity to learn new skills	3.37	0.956	0.834	0.872
My organization has provided me with enough support for additional training and education	3.19	1.004	0.782	0.826

Source: Survey, Note: RCM- Rotated Component Method

Table 1.3: Descriptive Statistics

Factor	N	Minimum	Maximum	Mean	Std. Dev.
Satisfaction with Pay and Promotional Opportunities	378	3.442	3.942	3.703	0.891
Satisfaction With Work Relationships	378	3.753	3.824	3.792	0.833
Satisfaction with Work Activities	378	3.495	3.661	3.575	0.854
Satisfaction with Working Hours	378	3.603	3.918	3.740	0.915
Satisfaction with the Use of Skills and Abilities	378	3.189	3.424	3.327	0.884

Source: Survey

Factor 1 (Satisfaction with Pay and Promotional Opportunities)

This factor consists of five items which are “I am satisfied with the pay I receive”, “I am satisfied with the promotional opportunities”, “I am satisfied with the security my job provides me”, “I am satisfied with the benefits I receive”, “I am satisfied with my organization that recognizes my work accomplishment”, with standard deviation ranging from 0.923 to 1.171, mean values varying from 3.44 to 3.94, factor loading ranging from 0.778 to 0.881 and commonality between 0.709 to 0.859. This factor represents the satisfaction level of employees with pay and promotional opportunities in the power sector of Punjab after its corporatization. This factor has an imputed mean of 3.703, which indicates the majority of employees are satisfied with the pay and promotional opportunities they are getting from their organization. It shows that the pay and promotion policy proves to be satisfactory after the corporatization of the power sector in Punjab.

Factor 2 (Satisfaction with Work Relationships)

This factor represents three items such as “Relationship with my co-workers has improved”, “Relationship with my subordinates has improved”, and “Relationship with my superiors has improved” with the standard deviation ranging from 0.855 to 0.861, mean values varying from 3.75 to 3.82, factor loading values between 0.895 to 0.904 and communalities between 0.931 to 0.947. This factor indicates the satisfaction level of employees with their work relationships with an imputed value of a mean of 3.792, which accounts for the maximum mean among all the factors extracted. This represents the maximum satisfaction level of employees with regards to their work relationships whether it is with their superiors, co-workers, and subordinates, which indicates policy measures of the power sector in Punjab after its corporatization provides an environment of a healthy relationship between the employees.

Factor 3 (Satisfaction with Work Activities)

It comprises three items such as “Management provided me enough degree of independence associated with my work roles”, “Management provided me various job responsibilities” and “Management provided me with an adequate opportunity for periodic changes in my duties” with a standard deviation ranging from 0.869 to 0.953, mean values varying from 3.49 to 3.66, factor loading value between 0.844 to 0.882 and communalities between 0.851 to 0.914. This factor indicates the satisfaction level of employees regarding work-related activities with an imputed value of mean is 3.575, which shows that majority of employees are inclined towards satisfaction from work-related activities in their organization after these structural reforms took place in the power sector of Punjab.

Factor 4 (Satisfaction with Working Hours)

This factor comprises three items, namely “I am satisfied with my current working hours”, “Working beyond duty

hours has decreased” and “My organization has provided me with enough flexibility for scheduling my work”, with a standard deviation ranging from 0.937 to 1.061, mean value varying between 3.60 to 3.92, factor loading between 0.810 to 0.870 and communalities between 0.799 to 0.877. This factor illustrates the satisfaction level of employees with their working hours with an imputed value of mean is 3.740, which is the second highest mean value from all the factors extracted. This analysis represents that most of the employees are satisfied with their working hours and their management provides them autonomy in scheduling their work.

Factor 5 (Satisfaction with the Use of Skills and Abilities)

This Factor consists of three items such as “My organization has provided me enough opportunity to utilize my skills”, “My organization has provided me enough opportunity to learn new skills”, and “My organization has provided me enough support for additional training and education” with a standard deviation varying from 0.956 to 1.004, mean value ranging from 3.19 to 3.42, factor loading value between 0.782 to 0.857 and communalities between 0.775 to 0.872. This factor indicates the satisfaction level of employees regarding the use of their skills and abilities in the organization with an imputed mean value of 3.327, which is the lowest among all factors extracted. This represents that majority of employees feel satisfaction under this factor but not as much compared to other factors. The satisfaction of employees can be increased in this factor if management provides them with an adequate facility of training and education.

4. Limitations

Data is the foundation stone of every study in the field of research but in presenting primary data there is always a chance of deviation and biasness. Due to the busy work schedule and prior engagements of employees of different organizations in the power sector, frequent visits were to be made for filling up questionnaires. The other limitation due to the primary data has been the attitude and sincerity of the employees of the power sector in filling up questionnaires. Since this job demands a high level of seriousness from the respondents but due to their official priorities the process of data collection was not far from limitations. Despite of above-mentioned limitations the conclusions of the present study are quite useful. Further, the findings recommend certain improvements in various areas of the power sector in Punjab.

5. Suggestions

- It has been observed during the interaction with concerned respondents of the study that employees are not getting the work according to their skills and abilities. So proper screening channel must be installed in the board to fix the job description and job specification.

- The electricity demand of Punjab is increasing day by day but installed electricity generation plants could not meet this demand due to the shortage of engineers 's staff. Many times, PSEB Engineers Association demanded more manpower to run all the public sector thermal units at Ropar and Lehra Mohabbat. PSPCL should consider their demands for the productive utilization of their infrastructure facilities.
- By enhancing work-related activities and varieties, management can improve altruism behaviour of the employees, which will increase job satisfaction and employees can be encouraged to work with more devotion and passion.

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