A STUDY ON THE EFFECT OF SHIFT SCHEDULES AND QUALITY OF WORK ON ORGANIZATIONAL PROFITABILITY WITH REFERENCE TO THE MECHANICAL SERVICE INDUSTRY

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ABSTRACT
The main purpose of this article is to study the effectiveness of shift schedules and quality of work on the organizational profitability. The study focuses whether shift schedules and quality of work increase the organizational profitability. The paper first aims to find whether shift schedules and work quality has an effect on organizational profitability and whether shift schedules predicts organizational profitability. Secondly, the paper aims to find whether quality of work has an effect on organizational profitability and whether quality of work predicts organizational profitability. The author has used a sample size of 165 respondents from the Mechanical Engineering Industry who works in shift schedules. Convenient sampling method is used for the study. The author has used stepwise multiple regressions to find the relationship between the shift schedules and quality of work on Organizational profitability. The results show that shift schedules and quality of work significantly predicts organizational profitability. Customer satisfaction is also an integral part of any organization and it is always important for every company to achieve the profitability through quality of work and continuous performance. The article stands as an eye opener for the company’s and corporate to understand the value of shift schedules and work quality for increased profitability of the organization.

Keywords: quality of work, shift schedules, organizational profitability, customer satisfaction, profitability.

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1. INTRODUCTION

Customers are the most important part of the market and business always starts and ends with the customers in mind. The organization profit, business status, business strategy, image of the organization depends on their customers. The organization strives to meet their customer’s expectation till the customer is satisfied. An organization should measure customer satisfaction by collaborating the requirements and responses of the customers and deliver them according to their expectations. Customer relationship management is the most important area of an organization. If the organization need to be successful, their requires a good relationship between the organization and the customers. In the current scenario customer satisfaction is vital and the business profits depend on whether the customer is satisfied. The more customer satisfaction, the more business profitability exists.

Work culture is one of the most important aspects in any organisation. The work culture is very important and vital because of the fact that it improves production and enhanced work culture in the organization helps to survive the increasingly competitive domestic as well as global markets. It refers to the employee’s opinion on Flexi timings, Superior- subordinate relationship and the nature of work. Work is a source of sustenance to human beings (Jayan & Shameem, 2017).

Shift schedules have been one of the greatest inventions which have led to quick customer happiness. Shift schedules began in 1800’s with work portion given according to particular time frame. Shift schedules have enabled organizations to work round the clock serving the needs of the customers around the globe. Shift schedules help the organizations to regularly communicate and take care of the needs of the customers. Many Mechanical Services Industry work round the clock and the workers of Mechanical Services Industry makes sure that the customer is updated about the job that is being carried out.

Shift schedules have become an important part and parcel of all the businesses and today many organizations can make their customers happy by working in shift schedules. Today huge multinational companies operate and satisfy their customers because of shift schedules. Even though the customers sit in different locations, shift schedules with the help of information technology can deliver the requirements of the customer from anywhere at anytime. A customer would be happy only if he can contact the organization at any time according to his own schedule, this way shift schedules makes it possible for the customer to interact with an organization and supply the requirements on a regular basis.

An organization should make it necessary to regularly interact and communicate with the customers on a frequent basis in order to make the customer happy. Organizations these days understand that business profitability depends on customer happiness. Customer happiness will consequently bring more business into the firm and this would keep improving until profits are achieved. The customers invest in an organization not only for a product to be delivered, but trust the organizations that also does post marketing services. The organizations should ensure that they not only making they make the customers happy, but also take care of the post marketing needs of the customers.

2. REVIEW OF LITERATURE

There are many ordinary explanations (of why things work or happen the way they do) about marketing that has been based on the trust that customer happiness (from meeting a need or reaching a goal) affects (a lot) the performance of the business in the long run. Customer happiness (from meeting a need or reaching a goal) with higher level of quality is known to always result in keeping/holding onto/remembering and loyalty of the customers which eventually leads to Organizational profitability (Oliver, 1997). There are well developed body...
of research that studies the behavioural relationships customer happiness (from meeting a need or reaching a goal) and organizational profitability. There are quite some studies that has written about (one thing is proven to cause something else) between customer happiness (from meeting a need or reaching a goal) and profitability (Reichheld & Sasser, 1990; Fornell, 1992; Anderson & Sullivan, 1993; Taylor & Baker, 1994) or between quality of service and customer loyalty (Boulding et al., 1993; Zeithaml et al., 1996; Mittal & Lassar, 1997).

There are a lot of studies that focuses more specifically on customer loyalty since there are events on the relationship between work quality and happiness There is a positive relationship between loyalty and happiness since the three important thing is most important for an organization to get hold of the customers and if the customers are showing these qualities, they are more drawn towards the business and would be interested in continuing the investment with the company (Bearden & Etzel, 1982; La Barbera & Mazursky, 1983; Ennew & Binks, 1996). The linkage between happiness, loyalty and retention relates to profitability of an organization. (Reichheld & Aspinal, 1993; Hallowell, 1996). Thus customer satisfaction plays a big role in the performance of a business.

2.1. Shift schedules and Profitability

Shift schedules are very effective in controlling the project length of time, since it allows the work load to be delegated. Shift schedules are needed to avoid working and don't put the whole work load on specific people. Shift schedules are extremely important to communicate with customers all the time and it improves the work quality of an organization in taking care of the needs of the customers at any time (Hanna et al 2008). The meaning of work to the individual is important in the overall context of human relations, because it is the only factor contributing to one's satisfactory adjustment which transforms in the work place. Again, since work is an activity, one needs to remember that everyone approaches the work with a different attitude and desires varied expectations out of it. For this reason, one needs to be sensitive to factors related to performance, recognition, work content, responsibility, promotion & pay, organizational policies, working conditions etc (Shameem & Divyaranjani, 2017).

Job burnout refers to any environmental, social, or internal demand which requires the individual to readjust his/her usual behavior patterns. Job Satisfaction rarely has a single source point, rather Job burnout has been found to have many different sources (Patchiappane & Rengamani, 2017). There are few studies that speak about the positive effects of shift schedules on the organizational profitability. Eventhough, there are limited studies shown to people on the importance of shift schedules in organizational profitability, the topic is yet to be explored in a much more detailed manner. There are few studies on shift work and most of the articles are on the negative effects of shift schedules. In the past there were studies that showed/represented the positive effect of shift schedules and stated that in certain events shift schedules had a better performance than the day operation leading to organizational profitability (Hilderbrant et al. 1974).

It should be understood that all studies have not decided that shift schedules worsens/decreases job performance. The study done by (Cook, 1954) took data from 36 businesses including the general engineering and electrical engineering. The results of cook show that there was no big reduction in working well and getting a lot done and infact caused an increase in the Organizational profitability. According to the research done by Horner & Talhouni, 1993 and Smith, 1987 have investigated that shift schedules eventually increases the work performance resulting in organizational profitability. According to the study, a well planned shift schedules increases the production of an organization and improve the overall profitability of the organization.
2.2. Quality of work and Organizational profitability

Continuously improving the quality of services and products is extremely important for an organization to make the customer happy. The organization these days focus on Total quality management (TQM) worldwide which has become a very important part of an organization. TQM focuses on the customer's needs and requirements to improve the quality of products (that are bought and sold) and services (Kaynak, 2003; Nair, 2006; Sadikoglu & Zehir, 2010).

TQM practices leads to better of the work done and improves the work quality. Though most of the studies showed a positive effect of quality of work on profitability, there were few studies that stated quality of work not the only important thing. The reason for these negative findings could be due to different quality rules adopted by organizations. The quality of work measures that is used by various organizations differs and it can’t be true to say that all the measures creates customer happiness. (Nair, 2006; Sadikoglu & Zehir, 2010).

According to previous studies, most of the research that dealt with quality of work and organizational profitability showed that a well measured quality of work practices gave a positive relationship with the customers that led to increased organizational profitability of the organization (Chenhall, 1997; Mann & Kehoe, 1994). The organizations now understand that effective knowledge management secures/makes sure that the workers could get reliable, consistent and needed data in order to get their job done more effectively.

Knowledge and process management practices by an organization help to watch (for changes, unusual things, etc.) the quality of a job more effectively. Errors and faults that happen in the processes could be identified through this process management. The process of an organization is elevated through quality of work by occasionally watching/supervising the performance and development of an organization and its employees. An effective and reliable management system would lead to the process becoming more efficient and lead to making organizational profitability (Lee et.al, 2003; Phan et.al, 2011).

3. OBJECTIVES OF THE STUDY

1. To study the relationship between shift schedules and organizational profitability.
2. To study the relationship between quality of work and organizational profitability.

4. HYPOTHESIS OF THE STUDY

H$_1$: Shift schedules significantly predict organizational profitability.
H$_2$: Quality of work significantly predicts organizational profitability.

5. RESEARCH METHODOLOGY

The samples used for the study were employees from the Mechanical Services Industry companies who were working in shift schedules. The data was collected from three Mechanical Services Industry companies using the questionnaire method for data collection. A total of 270 employees were approached but 165 questionnaires were found to be genuine for the study. The questionnaires consisted of parameters that are based of likert scaling techniques. The questions that were used for the study were based on shift schedules, quality of work and profitability. The data was collected from both male and female employees who comprised of middle level and senior level employees. The researcher used non-random sampling method and convenient sampling technique for collection of data.
6. DATA ANALYSIS AND RESULTS

The author conducted the analysis using SPSS analysis. The author has performed stepwise multiple regression analysis to test whether the independent variables predicts the dependent variables. The step wise regression analysis was used to find whether the predictor variables (Shift schedules and quality of work) have an effect on organizational profitability.

6.1. Step wise Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td>1</td>
<td>.763</td>
<td>.630</td>
<td>.634</td>
<td>2.27520</td>
<td>2.182</td>
</tr>
<tr>
<td>2</td>
<td>.924</td>
<td>.846</td>
<td>.852</td>
<td>1.47895</td>
<td>1.598</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Shift Schedules
b. Predictors: (Constant), Shift Schedules, Quality of Work
c. Dependent Variable: Organizational profitability

It is inferred from table 1 that the two independent variables shift schedules and quality of work was added one by one since the author has used stepwise multiple regression. According to the above table it is inferred that in first model the R value is .763 and the adjusted R² is .634 but in the second model the R value increases to .924 and R² increases to .846 showing a good model fit and standard level of prediction. From the above table, it is found that in the model 1 that the predictor variable (shift schedules) explains 63.0% of the variability of the dependent variable (Organizational profitability) and in the model 2 the predictor variables (shift schedules and customer satisfaction) explains 84.6% of the variability of the dependent variable (Organizational profitability).

<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1322.74</td>
<td>2</td>
<td>721.38</td>
<td>32.798</td>
<td>.000</td>
</tr>
<tr>
<td>923.367</td>
<td>162</td>
<td>5.782</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2385.157</td>
<td>164</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1878.167</td>
<td>3</td>
<td>632.719</td>
<td>30.526</td>
<td>.000</td>
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<tr>
<td>523</td>
<td>161</td>
<td>2.758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2645.187</td>
<td>164</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

It is inferred from Table II that the p values are statistically significant since the p value is <0.05. The F value in model 1 is 32.798 and model 2 is 30.526. The F ratio in the ANOVA table shows that the predictor variable (Shift schedules and Work quality) significantly predicts the dependent variable (Organizational profitability). Hence it is concluded that H₁ and H₂ is accepted and the null hypothesis is rejected.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant) -3.173</td>
<td>1.279</td>
<td>-2.689</td>
<td>.003</td>
</tr>
<tr>
<td></td>
<td>Shift schedules .811</td>
<td>.037</td>
<td>.672</td>
<td>11.065</td>
</tr>
<tr>
<td>2</td>
<td>(Constant) -1.844</td>
<td>.882</td>
<td>-2.869</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>Shift schedules .317</td>
<td>.044</td>
<td>.454</td>
<td>13.216</td>
</tr>
<tr>
<td></td>
<td>Quality of Work .489</td>
<td>.024</td>
<td>.547</td>
<td>15.128</td>
</tr>
</tbody>
</table>

Dependent Variable: Organizational profitability
It is inferred from table 3 that Model 1 gives the predictor variable (Shift schedules) are significant and in Model 2 when predictor variable, quality of work is added it is also significant. The Beta Coefficient for model 1 is .672 and model 2 is .547 which shows that the prediction is statistically significant.

7. LIMITATIONS AND SCOPE FOR FURTHER STUDIES
The study used shift schedules and quality of work to study the effects on organizational profitability. The study limited itself to studying only the organizational profitability of the organization leaving out many other important areas of study such as customer loyalty, vision of the organization, share market, shareholders etc. Further study could bring more understanding on the effects of shift schedules on the performance of the organization towards the overall growth of the organization not only in terms of organizational profitability but in other areas of the organization.

The study limited itself to the advantages of shift schedules and quality of work where as other areas such as the degree of competition the firm faces, the strength of demand, marketing & advertisements, firm goals etc could have been used to group together the effectiveness of the study. Further study could bring more thought into the effects of shift schedules on the work performance of the organization not only focusing on profitability but other aspects as well.

8. SUMMARY AND CONCLUSION
The study mainly aims to find whether there is an effect of shift schedules and quality of work on Organizational profitability. The results prove that there is indeed a significant effect of shift schedules and quality of work on Organizational profitability. The analyses show that shift schedules and quality of work were good predictors of organizational profitability. The study proves that quality of work and continued services motivates the organization to gain financial profits and acquire good profits. Shift schedules are useful for the organization to work 24/7 and this facilitates the continued services.

The study hints that organizations make it a point to continuously communicate with the customers and shift schedules creates way for continued services continuously leading to Organizational profitability. The organizations need to interact with their customers on a regular basis, to know the requirement and expectations of the customers. The study concludes that higher the customer is satisfied, higher the profitability of an organization. Customers are never happy and hence organizations should strive through innovation and quality of work measures to update their standard operating processes on a regular basis so that the work process is in line with the expectations of the customers.

REFERENCES


A study on the effect of shift schedules and quality of work on organizational profitability with reference to the Mechanical Service Industry


