

Managing Employee Retention as a Strategy for Increasing Organizational Competitiveness

Dr. Shilpa Ajay, Professor and HoD, Department of Management Studies, Nitte Meenakshi Institute of Technology, Yelahanka, Bengaluru-64, India, Email: shilpa.ajay@nmit.ac.in

Abstract- Employee Retention is a challenging concern of the organization. This study stressed on Employee Retention strategies. Employees are the assets of the organization. To retain skilful and committed employees in the organization, management should take care of employee satisfaction. Find out the reasons of employee turnover and overcome this. The purpose of this study is to prove how employee retention is essential in this day and age, and if the organizations are not awake to the situation and immediate actions are not taken to that effect, what repercussions lay ahead and how they would affect the organization and the industry. Keeping this point in mind the authors attempt to analyse the factors which influence employee retention.

Keywords — Employee, Human Resources, Retention, strategies

I. INTRODUCTION

Retention means a state of being retained. The human resource practices what organisation is following and makes employees stay for longer period of time. Retention of key employees is critical to the long-term success of the organization. It is a fact that retention is one of the major strategy that will ensure satisfied colleagues, better work place, effective succession plans etc. failing to retain a best or key employee is a deal of high cost to the organization. In this intense competitive world, it is very challenging task for the employers to retain the talented employees. Hence, retention is one of the major issues that has greater influence on the growth or survival of the organization. The main responsibilities of employer to understand the present situation and to create a healthy environment which motivates present employees to retain in the organization. A strong retention management strategy will become a recruitment tool for the organization. As manufacturing sector is concerned, the rate of retention is quite high as most of the skilled talents are turning towards service sector. Hence, retaining the best employees' recruitment tool of the organization.

II. THEORETICAL BACKGROUND

Deepika Pandita and Sampurna Ray (2018) examined from their study that the talent management was most valuable tool to employee committed to their task. Marwa Gaber Ahmed Fahim (2018) focused on to retain the best employee in an organisation the HRM practices what organization is following matters. If the organisation follows best practices, employees retain back. Maqsood Haider and Arman Rasil (2015) found in his study that employees are the huge assets to any organisation. The

employees who contributes to the organization leads profit to the organization and the one who are not contributing they are liabilities to the organisation. Shuana Zafar Nasir , Nasir Mahmood (2018) stated that the loyal employees will always stay for longer period of time as well as their contribution to the organization is highly appreciable. The loyal employees will have a stronger relationship with the organization and they are an asset to the organization. Ajaya Kumar C H and Ravindra D Gatkar (2016) found that promotion in the job, security in job, employees' autonomy which leads the higher retention as employees are comfortable with their task.

Research Methodology

Objective of the Study:

- To understand the reasons for attrition and to identify the factors that make employees dissatisfied about the organization.
- To understand the strategies employed by the organization to retain the efficient employees.

Research Design

The sample size of the study is 100. The respondents include employees of various departments that operate in the organization.

III. ANALYSIS AND RESULTS

The factors which influence on employee turnover in the organization

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Job security	99	4.33	.756	.076
Promotion opportunity	99	4.17	.833	.084
Employee welfare measure	99	4.09	1.051	.106
work environment	97	4.12	1.063	.108
job rotation	98	4.18	.878	.089
support from management	95	3.89	1.162	.119
training and development	96	4.21	.994	.101
rewards and recognition	98	4.19	.927	.094
fringe benefits	99	3.88	1.127	.113
rewards and recognition	98	4.19	.927	.094
worker participation in management	99	4.10	.974	.098

One sample test

	Test Value = 4					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
a. Job security	4.387	98	.000	.333	.18	.48
Promotion opportunity	2.050	98	.043	.172	.01	.34
Employee welfare measures	.861	98	.391	.091	-.12	.30
work environment	1.146	96	.255	.124	-.09	.34
job rotation	2.072	97	.041	.184	.01	.36
support from management	-.883	94	.380	-.105	-.34	.13
training and development	2.054	95	.043	.208	.01	.41
rewards and recognition	2.071	97	.041	.194	.01	.38
fringe benefits	-1.070	98	.287	-.121	-.35	.10
rewards and recognition	2.071	97	.041	.194	.01	.38
worker participation in management	1.032	98	.305	.101	-.09	.30

Interpretation: It is found that there is an influence of the above factors that are mentioned above has its impact on employee retention because at 95% level of significance it has the above values which are greater than the significant value hence it proves that these factors has an influence of employee retention.

Rewards and recognition

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
a. Does the compensation strategy followed in the organization has an impact on attrition?	101	3.95	1.023	.102
Do you think promotion has a greater influence on career development?	101	3.98	1.296	.129
Retirement benefits followed in the organization will have its influence on employee turnover.	101	4.03	1.170	.116

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Does the compensation strategy followed in the organization has an impact on attrition?	9.333	100	.000	.950	.75	1.15
Do you think promotion has a greater influence on career development?	7.601	100	.000	.980	.72	1.24
Retirement benefits followed in the organization will have its influence on employee turnover.	8.844	100	.000	1.030	.80	1.26

Interpretation: From the above calculation, it is determined that there is an influence of compensation strategies that are followed in the organization in retaining the employees. At 95% level of significance it states that rewards and recognition has its impact on employee retention.

EMPLOYEE WELFARE

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Does the organization provide necessary welfare measures like insurance, safety of employees etc.	101	4.26	1.110	.110
Does the organization take necessary measures during accidents that occur while working?	100	3.82	1.209	.121
Does the organization provide health insurance facilities?	101	4.12	1.080	.107

One sample test

	Test Value = 4					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Does the organization provide necessary welfare measures like insurance, safety of	2.330	100	.022	.257	.04	.48

employees etc.						
Does the organization take necessary measures during accidents that occur while working?	-1.489	99	.140	-.180	-.42	.06
Does the organization provide health insurance facilities?	1.106	100	.271	.119	-.09	.33

Interpretation: It is found that there is an influence of the above factors that are mentioned above has its impact on employee retention because at 95% level of significance it has the above values which are greater than the significant value hence it proves that these factors has an influence of employee retention.

V. CONCLUSION

The study on retention management enabled to find the various aspects of the organization that has its impact on retaining the employees in the organization and achieve its objectives. The factors as job related factors, compensation factors, training and development, work environment, career related factor etc. are considered with higher importance. The influence of compensation, training and development, work environment etc. has its impact on retaining the employees in the organization, improving the strategies of employee welfare, compensation will create a motivation to the employees and also adopting new human resource strategies like performance based pay, employee engagement, job enlargement, periodic promotions, fringe benefits will enable the organization to retain its employees and achieve the objectives of the organization

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