



## RESEARCH ARTICLE

### AN ANALYSIS ON EMPLOYEE PERSPECTIVE TOWARDS ADOPTED RETENTION FACTORS

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##### Key words:

NLSY - National Longitudinal Survey of Youth, CO- Career Opportunities, SS - Supervisor Support, WE - Work Environment, WLB - Work Life Balance, R - Recognition.

#### ABSTRACT

The study is about the retention factors in automobile components manufacturing industries in Coimbatore district. Industries to remain successful and competitive, it must keep its biggest assets; its people engaged and committed for the long term. This study examines the perspective of the employee to examine the morale of the employees and to identify the effective retention factors. According to (NLSY) National Longitudinal Survey of Youth, the Automobile Industry has recognized as an industry with a very high potential to increase employment and additional employment of 25 million people is envisaged by the year 2016-17 and by 2022, the Automobile Industry will employ an incremental 35 million people. It also has found that the cost of replacing lost talent is 70 to 200 percent of that employee's annual salary. There are advertising and recruiting expenses, orientation and training of the new worker, decreased productivity until the new employee is up to speed, and loss of customers who were loyal to the departing worker. In order to create a successful Industry, employers should consider as many options as possible when it comes to retaining employees.

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## INTRODUCTION

This study examines with the perspective of presently working workers in the industries and it offers the development approach to the employer and the employee. In today's environment there are many challenges and opportunities involved in the successful operation of today's businesses, hiring knowledgeable people for the job is essential for an employer to face the challenges and to utilize the business opportunities properly. But retention is even more important than hiring. The term "turnover" has been studied and explored early from 1970, even now; there is still no standard reasons that drive employee to leave the organization. Labour turnover can be classified into voluntary and involuntary. Involuntary turnover happens when an employee is forced to leave by the management. Voluntary turnover occurs when employees leave of their own free will. The most problematic group is unpredictable voluntary turnover, which consists of employees who leave for current job dissatisfaction or better job opportunities. Industries today are creating an environment which encourages their employees to remain loyal to the organization. Employee retention factors involve "taking measures to encourage employees to remain in the organization for the maximum period of time".

Management would be aware of finding the true reason as to why a employee is satisfied and not satisfied towards the job or organization and should take necessary measures to rectify towards adopting good retention factors. Interesting work, Good wages, Full appreciation of work done, Job security, Good working conditions, Promotions and growth in the organization, feeling of being included, Personal loyalty to employees, Tactful discipline, Sympathetic help with personal problems were more common motivation factors consider and strategies should be planned to provide in the Industries.

**Automobile and Automobile Components Manufacturing Industries:** Coimbatore is the third largest city in Tamil Nadu, with a population of more than 15 lakhs. It is one among the industrially developed and commercially vibrant districts of Tamil Nadu. A large number of auto component industries are present around Coimbatore and Erode cities. Manufacturing of Automobile components also adds up to Coimbatore's economy. Maruti Udyog and Tata Motors source up to 30% of their Automobile components from Coimbatore. Coimbatore became a strong base for supply of auto-components for the whole of India.

#### Statement of the problem

Workers retention is one of the major issues faced by any industry, this issue is still disturbing. Even though industries

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make efforts to control this issue, still it fails to a great extent. However the following questions may arise regarding workers perception towards the retention strategies,

- What are the expectations of the workers regarding the retention factors provided by the employer?
- What do the workers perceive about the retention factors?
- Does the employer satisfy the workers?
- What are the different types of retention factors that are adopted by the industries to retain their workers?
- What is the most dominant factor that influences the workers towards the industries?
- What are the ways in which industries can improve their retention factors for effective performance?

**Objectives of the study**

- To examine the morale of the employees
- To assess the satisfaction level of the employees
- To review the retention factors career opportunities, supervisor support, recognition, work life balance and work environment in determinants on worker retention

**Literature Review**

Lal Suresh, Sujitha and Kavitha (2015)<sup>1</sup> made a modest attempt to study the different aspects migrant working conditions men and to find out the impact of migration on them in terms of working conditions, wages and earnings, their living conditions and problems at work place. The study reveals that about one forth of the migrant women from rural areas are not satisfied with their present job. But still due to severe unemployment in the society they have to migrate to other places for searching jobs. Guthrie J. P (2013)<sup>2</sup> use of high performance work practices may have implications for the effect of turnover on productivity. Practices increases the value and importance of human capital. Kumar, Renjith (2011)<sup>3</sup> focuses on the changes in commitment and the various factors that lead to increased commitment. The commitments related to working conditions are: do employees get satisfaction from their everyday work; the study reveals that the work place in the new millennium has changed. Organizations must learn that their needs and the needs of their employees are interrelated and also realize the need for a close working relationship.

**RESEARCH METHODOLOGY**

Descriptive Research Design has been used in this research work. Multistage Sampling is used, by which, each and every member of the population or universe has an equal chance or probability of being included in the sample.

The main sources through which data is collected are: Primary data and Secondary. Collection of data is the first step in the statistical treatment of a problem. The data regarding the provided retention strategies such as Work Environment, Compensation, Benefits Package, Reward and Recognition, Training and Development, Growth Opportunities, Communications, Participation of Labours in Decision Making are all primary in nature. The questionnaire method was followed to collect the primary data from the employees. Before collecting the data, pilot study was conducted and the necessary correction was made. The universe of the study comprises the automobile component manufacturing industries in Coimbatore district; who are the small and medium manufacturers of automobile components registered under the Codissia and who are the members of Southern Indian Engineering Manufacturers Association, there are 76 industries over there in Coimbatore. Out of which 36 industries have beyond 10 years of service with in which 10 Industries have been taken for the study; on the bases of annual turnover, and in each Industry, 30 members were chosen, those who were direct workers. Hence the sample size is 300. (Appendix 1)

**Statistical analysis and interpretations**

- Simple percentage analysis
- Rank analysis
- Chi-square Analysis

The above table reveals clear that, 67 percent of the respondents are male and 33 percent of the respondents are female. And it is clear that 7 percent of the respondents belong to the age group of below 25 years, 60 percent of the respondents belong to the age group between 25-35 years and 33 percent of the respondents belong to the age group between above 35 years. And the third category, it represents that educational qualification, maximum 63 percent of the respondents are under graduate. From the above table it clear that, 40 percentage of the respondent has agreed that, the factor career opportunities and work environment has influenced the respondents to persist in the Industry. From the table it is clear towards the opinion of the workers, that career opportunities hold first rank. it internally mobilizes and initiating the workers to persist in the industry. The others factors proposed like work environment, work life balance, recognition and superior support have been ranked subsequently like 2nd, 3rd, 4th and fifth. The above table represents the employee perspective towards the retention factor. In this Career Opportunities and Hierarchy support internally mobilizes and initiating the employees to persist in the industry. The factors, work environment not influencing the workers, because there are not provided according to the expectation of the workers. Hence, there is no significant relationship between work environments.

**Table 1. Table showing the demographic factors of the respondents**

Gender	Age	Educational Qualification	No. of Respondents	No. of Respondents	No of Respondents	Percentage	Percentage	Percentage
Male	Below 25 years	School Level	202	22	52	67	7	17
Female	25 – 35 years	Under Graduate	98	180	190	33	60	63
	Above 35 years	Post Graduate		98	48		33	17
		Others			10			3
Total			300	300	300	100	100	100

Source: Data collected and computed through the questionnaire

**Table 2. Morale of the employee towards retention factors**

Factors	Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Career Opportunities	No.of Response	101	120	59	15	5	300
	Percentage	34	40	19	5	2	100
Supervisor support	No.of Response	99	102	50	30	19	300
	Percentage	33	34	17	10	6	100
Recognition	No.of Response	89	101	60	30	20	300
	Percentage	30	34	20	10	6	100
Work life balance	No.of Response	99	102	50	30	19	300
	Percentage	33	34	17	10	6	100
Work environment	No.of Response	98	122	58	14	7	300
	Percentage	33	40	19	5	3	100

Source: Data collected and computed through the questionnaire

**Table 3. Ranking**

FACTORS	MEAN SCORE	RANK
Career opportunities	360	I
Work environment	343	II
Work life balance	339	III
Recognition & reward	282	IV
Superior support	279	V

Source: Data collected and computed through the questionnaire

**Table 4. Table showing chi-square Analysis**

Null hypothesis	Degree of freedom	Calculated value	Table value	Significant/Not significant
There is no significant relationship between Career opportunities and employee morale in the industry.	16	35.23	27.59	Significant
There is no significant relationship between Hierarchy support and employee satisfaction in the industry.	12	34.21	26.02	Significant
There is no significant relationship between Work environment and employee persistent in the industry.	14	17.87	21.02	Not Significant

## FINDINGS

- 67 percentage of the respondents are male and 33 percent of the respondents are female.
- 60 percentage of the respondents belong to the age group between 25-35 years
- 63 percentage of the respondents are under graduate
- 40 percentage of the respondents are influenced by the opportunities provided for the career development.
- Work environment, work life balance, recognition and superior support have been ranked subsequently like 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> in making the employees to persist in the industries.

## Suggestions

- An online system or a forum should be created wherein the workers can voice out feedback openly and fearlessly on various issue.
- The demographic details of the workers should also be considered while designing the retention strategies
- Worker satisfaction can be improved by providing training with flexible time and Supervisors have to communicate at regular intervals for solving worker complaints, problems and to manage stress.

## Conclusion

The HR strategy should evolve from a transactional support role to partnering in the organizations business strategy. HR must take steps to be aware of worker problems and try to

solve them, creatively. In this study Career opportunity, influences the employee internal mobility in the industries. Further to avoid labour turnover, while enrolling with new technology and new retention strategies, it must be practiced before implementing into regular basis at both strategic and day-to-day levels. India's Automobile Mission Plan envisages size of the Indian Automobile Industry to grow at 11.5% p.a. over the next decade to reach a minimum size of USD 165 to 175 billion by 2022. India needs to train auto component manufacturing industries manpower of various states to cater to the higher employment demand from the Indian Auto Industry. Hence the study on worker retention with respect to the worker's opinion was conducted, which may help the automobile component manufacturing industries employers to retain their workers for a long period of time, to undergone and face the future demand of the worker requirement and the demand of production in automobile component manufacturing industries.

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#### Website

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#### Appendix: Industries details

S.No.	Industries
1	Techno Tool Engineering
2	Coimbatore Alkaline Batteries
3	Jay Aar Industries
4	Uma Enterprises
5	Sundar Enterprises
6	King Forgings and Engineering Pvt Ltd
7	P.K.R. Engineering Works
8	Es Es Auto Engineerings
9	Premier Engineering Works
10	Arun Engineering Industries

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