

# **A STUDY ON EMPLOYEE ATTRITION AND RETENTION IN MANUFACTURING INDUSTRIES**

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## **Abstract**

*Attrition is a critical issue and pretty high in the industry these days. It's the major problem which highlights in all the organizations. Though the term 'ATTRITION' is common, many would be at a loss to define what actually Attrition is, "Attrition is said to be the gradual reduction in the number of employees through retirement, resignation or death. It can also be said as Employee Turnover or Employee Defection" Whenever a well-trained and well-adapted employee leaves the organization, it creates a vacuum. So, the organization loses key skills, knowledge and business relationships. Modern managers and personnel administrators are greatly interested in reducing Attrition in the organization, in such a way that it will contribute to the maximum effectiveness, growth, and progress of the organization.*

*Retaining employees is a critical and ongoing effort. One of the biggest challenges in having managers in the place that understands it is their responsibility to create and sustain an environment that fosters retention. Staff requires reinforcement, direction and recognition to grow and remain satisfied in their positions. Managers must recognize this and understand that establishing such fundamentals demonstrates their objectives to support nature and motivate their employees.*

*This study is an outcome of the topic called "A Study on Employee Attrition and Retention in Manufacturing Industries in Nellore District, Andhra Pradesh". The main objectives of this study is to know the reasons, why attrition occurs, to identify the factors which make employees dissatisfy, to know the satisfactory level of employees towards their job and working conditions and to find the areas where manufacturing industries in Nellore District is lagging behind.*

***Key words:*** Attrition, Retaining employees, Retention, Managers and organization

## **A STUDY ON EMPLOYEE ATTRITION AND RETENTION IN MANUFACTURING INDUSTRIES**

Companies in India as well as in other countries face a formidable challenge of recruiting and retaining talents while at the same time having to manage talent loss through attrition be that due to industry downturns or through voluntary individual turnover. Losing talents and employees result in performance losses which can have long term negative effect on companies especially if the departing talent leaves gaps in its execution capability and human resource functioning which not only includes lost productivity but also possibly loss of work team harmony and social goodwill. With attrition rates being a bane of every industry, companies are devising innovative business models for effective retention of talent. There are a lot of factors responsible for attrition and employers are getting increasingly conscious of the factors that can keep an employee committed. Attrition may be defined as gradual reduction in membership or personnel as through retirement, resignation or death. In other words, attrition can be defined as the number of employees leaving the organization which includes both voluntary and involuntary separation. The employee gradually reduces his/her ties with the company than crib about the underlying factors causing attrition. It is symptomatic of a much deeper malaise that cuts deeper into the innards of organizations. Attrition rates vary from sector and industry to industry. Apart from the unavoidable ones like resignation, retirement, death or disability, the causes are found to be many and varied. They vary according to the nature of business, the level of the employees and the nature of the responsibility shouldered by them. The obvious, common and main reasons are the 'ergonomic discomfort' experienced by the employee and the 'functional incompatibility' between the corporate management and the employees. Very often an employee finds himself among colleagues and superiors he is unable to cope up with. Or he finds himself totally out of tune in his functions with the employee's functional requirements, failing to rise to the employer's expectations. Another important reason is that the employee's remuneration is not voluminous enough to bear the brunt and cushion the concussions of his family and social life. Employee retention refers to policies and practices companies use to prevent valuable employees from leaving their jobs. How to retain valuable employees is one of the biggest problem that plague companies in the competitive marketplace. Not too long ago, companies accepted the "revolving door policy" as part of doing business and were quick to fill a vacant job with another eager candidate. Nowadays, businesses often find that they spend considerable time, effort, and

money to train an employee only to have them develop into a valuable commodity and leave the company for greener pastures. In order to create a successful company, employers should consider as many options as possible when it comes to retaining employees, while at the same time securing their trust and loyalty so they have less of a desire to leave in the future. Employees need to be retained because good, faithful, trained and hard working employees are required to run business. They have acquired good product knowledge over the long run and a trained employee can handle customers better and also solve problems of peers who are new to the organization. When an employee leaves he takes away with him all company information such as ongoing projects, etc. Goodwill of the company gets hampered due to more employee turnover rate and the competitors start poking their nose to recruit best talents from them. Efficiency of work is hampered to a large extent. Let me give you an example – If an employee leaves in the middle of an ongoing project its very difficult to fill that Vacuum and a new employee can never replace an old and talented employee so this leads to delayed completion of projects and less work satisfaction among other team members . In the present context the present paper is ascertain to study on employee attrition and retention in manufacturing industries in Nellore district, Andhra Pradesh.

## **REVIEW OF LITERATURE**

Despite several studies carried out on employee retention, the strategic human resource researchers are still investigating the causal mechanisms between HR practices and firm's performance mostly related to voluntary turnover as a critical component (Shaw, Gupta and Delery, 2005) as employee retention plays a vital role in bridging the gap between the macro strategies and micro behaviour in Organizations. This is because it ensures stability and connects the experiences of individuals in Organizations on a continuous basis to the critical measures of success factors in the Organization. The decision of leaving the Organization is not easy for an individual employee as well as significant energy is spent on finding new jobs, adjusting to new situations, giving up known routines and interpersonal connection and is so stressful (Boswell, Boudreau and Tichy, 2005). Therefore if timely and proper measures are taken by the Organizations, some of the voluntary turnover in the Organization can be prevented. The reasons for employee turnover may vary from external environmental factors such as economy that influence the business that in turn affects the employment levels (Pettman 1975; Mobley, 1982, Schervish, 1983; Terborg and Lee, 1984) to Organizational variables such as type of industry,

occupational category, Organization size, payment, supervisory level, location, selection process, work environment, work assignments, benefits, promotions and (Mobley, 1982; Arthur, 2001). The other factors that influence employee turnover in Organizations include the individual work variables like demographic variables, integrative variables like job satisfaction, pay, promotion and working condition (Pettman, 1975; Mobley 1982; Arthur 2001) and the individual nonworking variables such as family related variables (Pettman, 1975; Mobley, 1982;). Any of the above factors could be the reasons, but the decision process to leave or stay in the Organization is to be periodically examined to understand the specific reasons that prompted them to take such a step and the Organizations should be mainly concerned about voluntary turnover and not involuntary turnover as it is within their control. Also it is found that employees who perform better and are intelligent enough have more external employment opportunities available compared to average or poor performance employees and thus they are more likely to leave (Trevor, 2001). High rates of voluntary turnover of such employees are often found to be harmful or disruptive to firm's performance (Glebbeck & Bax, 2004). When poor performers, choose to leave the Organization, it is good for the Organization (Abelson & Baysinger, 1984), thus it is important to differentiate between functional and dysfunctional turnover and accordingly encourage or discourage employee turnover. Further voluntary turnover of critical work force is to be differentiated into avoidable and unavoidable turnover (Barrick & Zimmerman, 2005). Estimates of the losses for each employee vary from a few thousand dollars to more than two times the person's salary depending on the industry, the content of the job, the availability of replacements and other factors (Hinkin & Tracey, 2000). In some industries chronic shortage of qualified employees has driven up the costs of turnover. Therefore the acquisition, development and retention of talent form the basis for developing competitive advantage in many industries and countries (Pfeffer, 1994, 2005). Organizations failing to retain high performers will be left with an understaffed, less qualified workforce that ultimately hinders their ability to remain competitive (Rappaport, Bancroft, & Okum, 2003). Three studies incorporated attitudinal and/or behavioural changes over time to better predict turnover. Sturman and Trevor (2001) found that quitters' performance over time did not significantly change while stays' performance slope was positive. Demographic factors cannot be ignored as age, tenure, level of education, level of income, job category, gender have influenced employee retention and have been found to have stable relationship with turnover intention. Of the above demographic

factors, age, tenure and income level was found to be negatively related to turnover intention (Arnold & Feldman, 1982; Cotton & Tuttle, 1986; Gerhart, 1990; Mobley et. Al, 1979; Price & Mueller, 1986; Wai & Robinson, 1998; Weil & Kimball, 1995); level of education is positively associated with turnover, the more educated the employees there is a tendency to quit (Berg, 1991; Cotton & Tuttle, 1986); With respect to job category, Wai & Robinson, 1998 and Price and Mueller, 1986 found that non-managerial employees are more likely to quit than managerial employees. Relationship between gender and turnover showed mixed result. Cotton and Tuttle (1986) and Weisberg and Kirshenbaum (1993) found females more likely to leave than males. Miller and Wheeler (1992) and Wai and Robinson (1998) reported no relationship between gender and turnover. However the reasons for employee turnover vary from one Organization to the other and from one person to another as they are not getting what they expect from the Organization (Ongori, 2007). Mobley (1982) and Dickter, Roznowski and Harrison (1996) also called for more research and theory pertaining to how the turnover process occurs over time.

#### **ABOUT NELLORE DISTRICT OF ANDHRA PRADESH**

Nellore is a place of great antiquity. A king by name VIKRAM SIMHAPURI ruled Nellore. After his death, this town name was denoted as Nellore. Thus the earliest name for Nellore was to be 'SIMHAPURI'. Agriculture is the main occupation of the people of the district. The coastal district of Nellore is located along the Bay of Bengal coast. The district is also known for the entrepreneurial spirit generally found among its people. The district has wide network of banking facilities. The district has 139 Commercial Bank branches, 56 grameena bank branches ( Pinakini Grameena Bank ) and 15 branches of Nellore District Co-operative Central Bank branches and a branch of Andhra Pradesh State Financial Corporation. 62 % of bank branches are in rural areas and 38 % of bank branches in semi urban / urban areas, the total deposits of the bank for the district as a whole are Rs. 1030.15 crores and advances outstanding Rs. 856.22 crores.

Nellore district is also rich in other minerals like quartz, silica sand lime shell, lime stone, barytes, copper ore, vermicule, chinaclay, etc., Deposits of quartz with 98% of silica are found in Rapur, Gudur and Chagnam villages. Deposits of lime are found along the banks of Pulicat Lake. Limestones of gray and pink colour are found in Vinjamur. The Nellore district is one of the industrially backward districts of the state of Andhra Pradesh placed under the 'C' category by the Central Government for the purpose of determining the eligibility of subsidy for new

investments in the district. In spite of its proximity to the industrial belt of Chennai and availability of railway heads, 180 kms of national highways, power etc., the district has lagged behind in industrial development. At present, 35 large and medium scale Industries are working in the district with an investment of Rs. 758. 11 crores and 7298 workers are employed.

Nellore district is potentially a good district for the development of tiny and small scale units. There has been a constant increase in the establishment of small scale enterprises over the last decade. 20978 small scale industries are working with capital investment Rs. 261.09 crores and 94541 workers are working in these industries. The Nellore district has nine industrial parks of which four are in Nellore Corporation i.e., Andhra Pradesh Private Industrial parks, Wood Complex, Autonagar Phase I & Autonagar Phase II and others are Industrial parks, Gudur; Industrial parks, Kavali; Industrial Developing Areas, Pannemgadu; Integrated Industries Development Centre, Tada and Industrial Developing Area, Venkatachalam. Total number of industrial sheds constructed is 48, of which 42 are in Nellore Corporation (Auto Nagar PH<sub>2</sub>). Besides, there are 1207 industrial plots developed by Andhra Pradesh Industrial Infrastructural Corporation (APIIC).

### **Need for the Study**

The success of any manufacturing organization depends largely on the workers, the employees are considered as the backbone of any company. The study was mainly undertaken to identify the level of employee's attitude, the dissatisfaction factors they face in the organization and for what reason they prefer to change their job. Once the levels of employee's attitude are identified, it would be possible for the management to take necessary action to reduce attrition level.

Since they are considered as backbone of the company, their progression will lead to the success of the company for the long run. This study can be helpful in knowing, why the employees prefer to change their job and which factors make employee dissatisfy. Since the study is critical issue, it is needed by the originations in order to assess the overall interest and the feelings of the employees towards their nature of job and organization.

This study can be helpful to the management to improve its core weaknesses by the suggestions and recommendations prescribed in the project. This study can serve as a basis for measuring the organization's overall performance in terms of employee satisfaction. The need of this study can

be recognized when the result of the related study need suggestions and recommendations to the similar situation.

### **Statement of problem**

The aim of the present report is to study factors like salary, superior – subordinate relationship, growth opportunities, facilities, policies and procedures, recognition, appreciation, suggestions, co- workers by which it helps to know the Attrition level in the organizations and factors relating to retain them. This study also helps to find out where the organizations are lagging in retaining.

### **Objectives**

- To know the satisfactory level of employees towards their job and working conditions
- To identify the factors which make employees dissatisfy about company's policy and norms.
- To find the areas where companies is lagging behind
- To know the reasons, why attrition occurs in manufacturing industries in Nellore District.
- To find the ways to reduce the attrition in manufacturing industries in Nellore District.

### **Research Design**

The survey method used in the present study is sample survey and the research design choice, particularly for small scale enterprises, depends on the kind of problems being studied. Here descriptive research design may suit research topics for small enterprises

### **Sample Size and sampling method**

The target respondents of the study are the employees of manufacturing industries located industrial parks of Nellore District, Andhra Pradesh. The total sample size taken for the present study is 130 and the sample method used is convenient sample method. The selected respondents belonged to the manufacturing industries like automobile spare parts, metallurgical industries, chemicals, pharmaceuticals, engineering and electrical etc., It is important to recognize that these categories of manufacturing industries are the predominant type of small scale enterprises in the district.



## **Primary Data**

The primary data were collected through questionnaire followed by the discussions with management and employees of manufacturing industries located in the industrial parks of Nellore District, Andhra Pradesh.

## **Hypotheses**

H1: There is a significant relation between age and attrition factors of the employees.

H2: There is a significant relation between educational qualification and attrition factors of the employees

H3: There is a significant relation between experience and attrition factors of the employees.

H4: There is a significant relation between age and motivational factors relating to employee retention.

H5: There is a significant relation between educational qualification vs motivational factors relating to employee retention.

H6: There is a significant relation between experience vs motivational factors relating to employee retention

## **Analysis**

The statistical tools used for the analysis of data are tables with percentages, t-test and Analysis of Variance (ANOVA) using SPSS package.

## **Scope of the study**

The scope of this study is confined to manufacturing industries in small scale industries category located industrial parks of Nellore District, Andhra Pradesh only. The study throws light through valuable suggestion to decrease attrition level in the organization. This study can help the management to find the weaker parts of the employee feels towards the organization and also helps in converting those weaker part in to stronger by providing the optimum suggestions or solutions. This study has a wider for scope in any kind of organization since “attrition” is general one and makes the employees to put forth their practical difficulties and need factors in the organization. This study can help the management to know for which the reason employees tend



to change their job, through dissatisfaction factors faced in the organization and also helps to recover by providing the optimum suggestions or solutions.

### Limitations

- The study has been taken in manufacturing industries in small scale industries category located in industrial parks of Nellore District, Andhra Pradesh, it may not be applicable to other industries located in other parts and other type of industries like service sector etc.
- The study gives the opinion of the employees in manufacturing industries located industrial parks of Nellore District, Andhra Pradesh only

## RESULTS

### 1. Employee's opinion about Salary

A salary is a form of remuneration paid periodically by an employer to an employee, the amount and frequency of which may be specified in an employment contract. The following table shows the employee's opinion about salary in various attributes.

**Table 1 Employee's opinion about Salary**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
My Salary when compared with Competitor company	(17) 13.1%	(58) 44.6%	(37) 28.5%	(18) 13.8%	(0) 0%	(130) 100%
Performance Bonus given to me by the company	(64) 49.2%	(24) 18.5%	(30) 23.1%	(12) 9.2%	(0) 0%	(130) 100%
Standard of Increment in the company	(38) 29.2%	(35) 26.9%	(28) 21.5%	(24) 18.5%	(5) 3.8%	(130) 100%
Satisfaction level in Salary & Increment	(53) 40.8%	(32) 24.6%	(14) 10.8%	(31) 23.8%	(0) 0%	(130) 100%

From the above table it was inferred that 44.6 percent of employees have the opinion that their salary compared with the competitor company as high, 28.5 percent said it is medium, 13.8 percent said it is low. And 49.2 percent of employees have an opinion that the performance bonus they getting is very high, 23.1 percent said as medium and 18.5 percent as high. And 29.2

percent of employees has an opinion that the standard of increment in the company is very high, 18.5 percent said it is low. And 40.8 percent of employees has an opinion that they are satisfied with the level of salary & increment, 23.8 percent said it is low.

It leads to conclusion that 44.6 percent of employees have the opinion that their salary compared with the competitor company as high, 49.2 percent of employees has an opinion that the performance bonus they getting is very high, 29.2 percent of employees has an opinion that the standard of increment in the company is very high and 40.8 percent of employees has an opinion that they are satisfied with the level of salary & increment.

## 2. Employee's opinion about Superior – Subordinate Relationship

In an organization communication occurs between members of different hierarchical positions. Superior-subordinate communication refers to the interactions between organizational leaders and their subordinates and how they work together to achieve personal and organizational goals. The following table shows the employee's opinion about superior – subordinate relationship in various attributes.

**Table 2 Employee's opinion about Superior – Subordinate Relationship**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
The encouragement getting from supervisors to work as team	(25) 19.2 %	(54) 41.5 %	(31) 23.8 %	(12) 9.2 %	(8) 6.2 %	(130) 100%
The Supervisor's effort for job promotion	(41) 31.5 %	(32) 24.6 %	(18) 13.8 %	(39) 30.0 %	(0) 0%	(130) 100%

From the above table it was inferred that 41.5 percent of employees have the opinion that their encouragement from superior is high, 23.8 percent said it is medium and 6.2 percent said it is very low. And 31.5 percent of employees has an opinion that the superior's effort to help for job promotion is very high, 13.8 percent said it is medium and 30 percent said it is low.

It leads to conclusion that 41.5 percent of employees have the opinion that their encouragement from superior is high and 31.5 percent of employees have an opinion that the superior's effort to help for job promotion is very high.

### 3. Employee's opinion about Growth Opportunities

An employee's perception of internal opportunities for growth and development is one of the more important predictors of employee engagement. Understanding this, there were disappointed to discover, through our latest research, that the employee perception of internal opportunities is the lowest it has ever been. The following table shows the employee's opinion about growth opportunities in various attributes

**Table 3 Employee's opinion about Growth Opportunities**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
Opportunities provided by the company	(57) 43.8 %	(28) 21.5 %	(20) 15.4 %	(17) 13.1 %	(8) 6.2 %	(130) 100%
Chances of getting promotion	(39) 30.0 %	(40) 30.8 %	(20) 15.4 %	(26) 20.0 %	(5) 3.8 %	(130) 100%

From the above table it was inferred that 43.8 percent of employees have the opinion that their opportunities provided by the company is very high, 15.4 percent said it is medium and 6.2 percent said it is very low. And 30 percent of employees has an opinion that the chances of promotion is very high and 15.4 percent said it is medium and 3.8 percent said it is very low.

It leads to conclude that 43.8 percent of employees have the opinion that their opportunities provided by the company are very high and 30 percent of employees have an opinion that the chances of promotion are very high.

### 4. Employee's opinion about Facilities

Facilities management is very important whatever type of organization is considered, the management of the pool and sports halls in a leisure center, including changing pool water, making sure that electricity and lighting is regularly maintained etc., the machinery and equipment in a manufacturing plant, the maintenance of the pitch, and stadium for a sports club - including regular checks on floodlights, health and safety equipment etc. The following table shows the employee's opinion about facilities in various attributes

**Table 4 Employee's opinion about Facilities**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
Benefit and welfare facilities provided by the company	(48) 36.9 %	(31) 23.8 %	(17) 13.1 %	(19) 14.6 %	(15) 11.5 %	(130) 100%
Satisfaction getting with the physical working condition	(45) 34.6 %	(43) 33.1 %	(11) 8.5 %	(16) 12.3 %	(15) 11.5 %	(130) 100%

From the above table it was inferred that 36.9 percent of employees have the opinion that the welfare facilities provided to them by the company is very high, 13.1 percent said it is medium and 11.5 percent said it is very low. And 34.6 percent of employees has an opinion that the physical working conditions are very high, 8.5 percent said it is medium and 11.5 percent said it is very low.

It leads to conclusion that 36.9 percent of employees have the opinion that the welfare facilities provided to them by the company is very high and 34.6 percent of employees has an opinion that the physical working conditions are very high.

## 5. Employee's opinion about Policies and Procedures

A policy is a principle or rule to guide decisions and achieve rational outcomes. A policy is a statement of intent, and is implemented as a procedure or protocol. Policies are generally adopted by the Board of or senior governance body within an organization whereas procedures or protocols would be developed and adopted by senior executive officers. The following table shows the employee's opinion about policies and procedures in various attributes.

**Table 5 Employee's opinion about Policies and Procedures**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
Employee policies and procedures	(51) 39.2 %	(28) 21.5 %	(33) 25.4 %	(5) 3.8 %	(13) 10.0 %	(130) 100%
Administration of employee policies	(50) 38.5 %	(29) 22.3 %	(35) 26.9 %	(16) 12.3 %	(0) 0%	(130) 100%

From the above table it was inferred that 39.2 percent of employees have the opinion that the employee policies and procedures of the company is very high, 25.4 percent said it is

medium and 10.0 percent said it is very low. And 38.5 percent of employees has an opinion that the administration of the policies are very high, 26.9 percent said it is medium and 12.3 percent said it is low.

It leads to conclusion that 39.2 percent of employees have the opinion that the employee policies and procedures of the company are very high and 38.5 percent of employees have an opinion that the administrations of the policies are very high.

#### 6. Attrition level due to above mentioned facts

Attrition level describes the standard of the organization and the capacity of them to retain them. The following table shows the attrition level in Integra. The following table shows the employee's opinion about attrition level in Integra Software Service Private Limited.

**Table 6 Attrition level due to above mentioned facts**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
Feeling of leaving the company	(38) 29.2 %	(6) 4.6 %	(25) 19.2 %	(38) 29.2 %	(23) 17.7 %	(130) 100%

From the above table it was inferred that 29.2 percent of employees having the opinion of leaving the company is very high as well as low, 19.2 percent said it is medium , 4.6 percent said it is high and 17.7 percent said it is very low.

It leads to conclusion that 29.2 percent of employees having the opinion of leaving the company is very high.

#### 7. Employee's opinion about Recognition

Employee Recognition is the timely, informal or formal acknowledgement of a person's or team's behavior, effort or business result that supports the organization's goals and values, and which has clearly been beyond normal expectations. The following table shows the employee's opinion about superior – subordinate relationship in various attributes. The following table shows the employee's opinion about recognition in various attributes.

**Table 7 Employee's opinion about Recognition**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
Recognition received abilities, efficiency and good work done	(43) 33.1 %	(22) 16.9 %	(46) 35.4 %	(19) 14.6 %	(0) 0 %	(130) 100%
Cash award/salary increase/promotion getting for outstanding performance	(10) 7.7 %	(32) 24.6 %	(59) 45.4 %	(21) 16.2 %	(8) 6.2 %	(130) 100%

From the above table it was inferred that 35.4 percent of employees have the opinion that the Recognition received by the company for their abilities, efficiency and good work done are medium, 16.9 percent said it is high and 14.6 percent said it is low. And 45.4 percent of employees has an opinion that the Cash award/salary increase/promotion getting for outstanding performance are medium, 7.7 percent said it is very high and 6.2 percent said it is very low.

It leads to conclusion that 35.4 percent of employees have the opinion that the Recognition received by the company for their abilities, efficiency and good work done are medium and 45.4 percent of employees has an opinion that the Cash award/salary increase/promotion getting for outstanding performance are medium.

## **8. Employee's opinion about Appreciation**

Employees expecting that for their hard work and contributions, their need appreciation. And, don't forget to say please often as well. Social niceties do belong at work. A more gracious, polite workplace is appreciated by all. The following table shows the employee's opinion about appreciation in various attributes.

**Table 8 Employee's opinion about Appreciation**

<b>OPINION</b> <b>ATTRIBUTES</b>	<b>VERY HIGH</b>	<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>	<b>VERY LOW</b>	<b>Total</b>
Appreciation receiving for the good work done	(23) 17.7 %	(61) 46.9 %	(25) 19.2 %	(21) 16.2 %	(0) 0 %	(130) 100%
Encouragement receiving to learn new skills on the job	(21) 16.2 %	(53) 40.8 %	(41) 31.5 %	(15) 11.5 %	(0) 0 %	(130) 100%

From the above table it was inferred that 46.9 percent of employees have the opinion that the Appreciation receiving for the good work done are high, 19.2 percent said it is medium and 16.2 person said it is low. And 40.8 person of employees has an opinion that the Encouragement receiving to learn new skills on the job are high, 31.5 person said it is medium and 11.5 person said it is low.

It leads to conclusion that 46.9 percent of employees have the opinion that the Appreciation receiving for the good work done are high and 40.8 person of employees has an opinion that the Encouragement receiving to learn new skills on the job are high.

## 9. Age Vs Attrition Factors

H<sub>1</sub>: There is a significant relation between age and attrition factors of the employees.

The following table shows relation between age and attrition factors

**Table 9 Age Vs Attrition Factors**

Factors	Mean Square	F	Sig.
Salaries	10.579	23.820	.000
Superior – Subordinate Relationship	4.293	9.364	.000
Growth Opportunities	4.931	11.174	.000
Facilities	5.549	17.551	.000
Policies & Procedures	3.243	5.524	.005

It was found by ANOVA test that there is a significant difference (at 0.05 levels) amongst the different categories of age of the respondents with the attrition factors. So, null hypothesis is accepted.

## 10. Educational Qualification Vs Attrition Factor

H<sub>2</sub>: There is a significant relation between educational qualification and attrition factors of the employees.

The following table shows relation between educational qualification and attrition factors

**Table 10 Educational Qualification Vs Attrition Factor**

Factors	Mean Square	F	Sig.
Salaries	9.393	23.562	.000
Superior – Subordinate Relationship	2.850	31.177	.000



Growth Opportunities	3.988	19.544	.000
Facilities	4.370	26.618	.000
Policies & Procedures	2.273	23.661	.000

It was found by ANOVA test that there is a significant difference (at 0.05 levels) amongst the different categories of educational qualification of the respondents with the attrition factors. So, null hypothesis is accepted.

### 11. Experience Vs Attrition Factors

H<sub>3</sub>: There is a significant relation between experience and attrition factors of the employees.

The following table shows relation between experience and attrition factors

**Table 11 Experience Vs Attrition Factors**

Factors	Mean Square	F	Sig.
Salaries	13.378	4.033	.009
Superior – Subordinate Relationship	4.381	5.598	.001
Growth Opportunities	5.101	6.118	.001
Facilities	6.538	3.865	.011
Policies & Procedures	2.886	9.708	.000

It was found by ANOVA test that there is a significant Difference (at 0.05 levels) amongst the different categories of experience of the respondents with the attrition factors. So, null hypothesis is accepted.

### 12. Age Vs Motivational Factors Relating To Employee Retention

H<sub>3</sub>: There is a significant relation between age and motivational factors relating to employee retention.

The following table shows relation between age and motivational factors relating to employee retention

**Table 12 Age Vs Motivational Factors Relating To Employee Retention**

Factors	Mean Square	F	Sig.
Training	3.243	5.524	.005
Recognition	3.534	3.118	.048
Appreciation	2.512	.599	.551
Suggestions	2.126	4.330	.015
Co-Workers Relationship	3.047	.747	.476

It was found by ANOVA test that there is a significant Difference (at 0.05 levels) amongst the different categories of age of the respondents with the motivational factors relating to employee retention. So, null hypothesis is accepted.

### **13. Educational Qualification Vs Motivational Factors Relating To Employee Retention**

H<sub>4</sub>: There is a significant relation between educational qualification vs motivational factors relating to employee retention.

The following table shows relation between educational qualification vs motivational factors relating to employee retention

**Table 13 Educational Qualification Vs Motivational Factors Relating To Employee Retention**

<b>Factors</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Training	2.273	23.661	.000
Recognition	2.556	19.405	.000
Appreciation	1.636	23.624	.000
Suggestions	1.605	17.877	.000
Co-Workers Relationship	1.763	32.018	.000

It was found by ANOVA test that there is a significant Difference (at 0.05 levels) amongst the different categories of educational qualification of the respondent with the motivational factors relating to employee retention. . So, null hypothesis is accepted.

### **14. Experience Vs Motivational Factors Relating To Employee Retention**

H<sub>5</sub>: There is a significant relation between experience vs motivational factors relating to employee retention

The following table shows relation between experience vs motivational factors relating to employee retention

**Table 14 Experience Vs Motivational Factors Relating To Employee Retention**

<b>Factors</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
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Training	2.886	9.708	.000
Recognition	3.647	1.032	.381
Appreciation	2.390	2.917	.037
Suggestions	2.143	2.849	.040
Co-Workers Relationship	2.646	7.331	.000

It was found by ANOVA test that there is a significant Difference (at 0.05 levels) amongst the different categories of experience of the respondent with the motivational factors relating to employee retention. So, null hypothesis is accepted.

### 15. Marital Status Vs Attrition factors

The following table shows relation between marital status and attrition factors

**Table 15 Marital Status Vs Attrition factors**

Factors	Marital Status	Mean	Standard deviation	t	Significance
Salary	Married	7.0345	2.73999	22.452	.000
	unmarried	11.0000	3.85389		
Superior – Subordinate Relationship	Married	4.0690	1.74579	12.130	.001
	unmarried	5.6613	2.43569		
Growth Opportunities	married	3.5345	1.67767	59.562	.000
	unmarried	5.4516	2.75608		
Facilities	married	3.6724	1.43133	60.762	.000
	unmarried	6.0000	3.10473		
Policies & Procedures	married	4.3276	1.47954	12.907	.000
	unmarried	5.4194	2.16945		

It was found by independent samples t-test that there is a significant difference ( at 0.05 levels) between the factors of attrition and their marital status.

### 16. Marital Status Vs Motivational factors relating to Employee Retention

The following table shows marital status vs motivational factors relating to employee retention

**Table 16 Marital Status Vs Motivational factors relating to Employee Retention**

Factors	Marital Status	Mean	Standard deviation	t	Significance
Training	married	4.3276	1.47954	12.907	.000
	unmarried	5.4194	2.16945		

Recognition	married	4.7414	1.64967	10.522	.002
	unmarried	5.5645	2.18505		
Appreciation	married	4.8793	1.79744	1.187	.278
	unmarried	4.6290	1.47364		
Suggestions	married	4.5172	1.76954	24.530	.000
	unmarried	4.3387	1.15862		
Co-Worker Relationship	married	4.7931	2.00664	8.688	.004
	unmarried	4.4194	1.59454		

It was found by independent samples t-test that there is a significant difference (at 0.05 levels) between the number of the respondent and their marital status.

## **SUGGESTIONS AND CONCLUSIONS**

### **Suggestions**

- Many employees have suggested improvement in working environment and employee motivation in the survey. So the companies should give attention to the factors which it can improve itself internally.
- Even though the employees are satisfied with their nature of job, it is identified in the study that many employees prefer to change their job due to lack of growth opportunities in their job. So the companies can look for some innovative technologies to decrease their attrition level by providing growth opportunities.
- The companies should conduct regular meetings to know about what exactly employees expect. Organizations should focus on exit interviews.
- The companies may give training like Personality Development and Self - improvement training to the employees, every three or six months once this status has to be reviewed and necessary action can be taken. It is better to have such training in the future.

### **Conclusions**

The main aim of any organization is to earn profit. But to attain the maximum profit, the organization should concentrate more on employees and the ways to retain them for their long run. From the study it is identified that lack of growth opportunities and salary are the major factors which force employees to change their jobs. This study concludes that to reduce attrition industries should create some opportunities for the growth of their employees within the organization by adopting new Innovative Technologies and Effective training programs. The

company should also think of recruiting people who are in the vicinity of the industry, so that the family related problems will not lead to attrition.

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