

Study On Employee Retention Management With Special Reference To First Source Ambattur, Chennai

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ABSTRACT

The main objective of this study is to explore and analyse the various factors influencing the employees in the work environment to make the quit decision, to study the employees awareness about retention strategy adopted in first source, to analyse the effectiveness of the retention strategies adopted for retaining employees and to suggest the ways to improve the relation level in the organization based on the feedback collected from the employees. In this study descriptive research method was used to observe and survey the existing methods of retention management of employee in the organization, in order to learn and assess them to find the reason and provide feasible solution to the organization and employees..A descriptive research design was used to collect data from both primary and secondary sources. questionnaire will be considered as the research instrument for the study. simple random sampling method adopted as sampling design with a sample of 130 respondents. Both primary data and secondary data has been used. Appropriate statistical tools will be applied for testing the data such as correlation and chi square test.

INTRODUCTION

“There are three things you need for a successful customer contact center: labor, labor and labor, i.e. labor quality, labor costs and labor availability”.

-Andy Shapiro

The most challenging job in today's competitive world for any organization is to identify, recruit and retain a high quality workforce. It is an established fact that talent retention is a strategic tool to ensure competitive and corporate performance. In the war for talent, talented employee retention is getting harder day after day. Talented employee retention continues to top the list of CEOs' priorities. “An Effective HR manager is focused on heads that count rather than counting heads”.

All the time in the world for a manager is to unearth those hidden interests and build symmetry between the individual and his job, to ensure job satisfaction, and in turn, capitalize on the potential of the employee.

In a traditional economy, retention of talent was viewed as a compensation package which is no longer relevant in knowledge economy. Now companies are realizing the fact that retaining and training the existing workforce is far better and beneficial than recruiting fresh talent. In order to attract and retain the best talent from the limited talent pool, every employer has to make an effort to create an employee friendly and conducive work environment, thereby becoming an employer choice.

Organizational policies and practices are designed to meet the diverse needs of employees and create an environment that encourages employees to remain employed.

The demand for top performing employees is a constant and growing need. Their retention and continued success is critical for sustaining and growing a company's bottom line. Every manager should have a keen interest in his employees and should listen intently to whatever an employee talks about. He should keenly watch for signs of excitement while the employee executes a particular assignment. He should be attentive

to pick the clues as to which job generates enthusiasm and which puts him off, to unearth the hibernating life interests. The need is to master the art of observing the employees' behavior and probe into the underlying motives so as to identify the interests and accordingly, sculpt a job. Such customization of jobs facilitates retention of middle and senior level managers for long.

“Any organisation committed to its mission and vision captures the heart and soul of its workforce. Organisations that are capable of retaining talented people believe that the key to attract and retain the employees lies in some non-monetary factors. Star performers stress more on the fundamental human needs, which the organisations should oblige”.

This study of the researcher is conducted to analyze the fundamental needs of the employees in **Firstsource, Ambattur, Chennai.** The study focuses on the retention strategies available in the theoretical part and its adaption in the practical world. Though there are many strategies available, the researcher explores and analyses the techniques adopted by **Firstsource, Ambattur, Chennai.**

The major part of the research includes the discovery of various factors influencing and their level of influence on the employees in their most important decision that is quit decision. The researcher approached the study as an avenue to answer the question : “What pushes the employee to quit the organisation?”

The researcher employed a well framed questionnaire for data collection and used few statistical techniques to test the hypothesis. On the basis of the output of the various tests, the researcher has also provided some suggestions for the organisation to aid in the betterment of the retention management.

NEED OF THE STUDY

Retention bridges the gap between what the employee has and what the job demands. The need of the study has arisen mainly to assess the effectiveness of retention practices in Firstsource, Ambattur, Chennai..

This topic has been chosen since every IT and ITES company is facing this problem. The management has realized that it is difficult for them to maintain employees. Apart from this the problem of demotivation is also to be faced. In the light of the above two severe problem it is thought fit to undertake this study.

Retaining employees should necessarily lead to effective performance by the employees. Since the basic aim of the retaining employees is to bring about effective performance of work, and it should be recognized as an integral and essential part of the whole work system.

SCOPE OF THE STUDY

- The scope or range of this project report is not too far stretching to the whole HR activities of Firstsource, Ambattur, Chennai., an ITES Organisation rather it only covers the retention activities executed by First source, Ambattur, Chennai. for retaining its employees.
- This project mainly analyses the methods of retention adopted at Firstsource, Ambattur, Chennai. during the tenure of the project which is from January-April 2012.
- The researcher's major area of focus includes the techniques adopted for retention, factors influencing the employees to take quit decision and the expectation of the employees from the organisation.
- This study aims to explore the gap between the employees' expectation from the organisation and the organisation's efforts to meet their expectation

OBJECTIVES OF THE STUDY

- To study the employee retention strategies adopted in Firstsource, Ambattur, Chennai.
- To explore and analyse the various factors influencing the employees in the work environment to make the quit decision
- To explore and analyse the various factors influencing the employees in the work environment to make the quit decision
- To analyse the effectiveness of the retention strategies adopted for retaining employees.
- To suggest the ways to improve the retention level in the organisation based on the feedback collected from the employees.

REVIEW OF LITERATURE

RETENTION

“Employee retention is the conscious and deliberate effort to retain quality individuals on the company payroll. Stated otherwise, it is the proactive methods utilized by successful organisations to stop the drain of company profits caused by the excessive employee turnover”.

In a time of demographic change the binding of employees is especially important for the survival of companies. Today firms should recognize that the number of workers in absolute terms is falling. Companies should take measures in advance and set up a systematic retention management, which is becoming a major issue for many businesses. A manager should keep in mind: "getting good staff is only half of the battle; the other half is keeping them".

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Employees are the internal customers of the organisation to satisfy their needs reflect the HR philosophy of the company. The key to marketing and customer service success lies in understanding what the customer wants, and then delivering the product or service that is designed to meet the customer's need. Similarly, competing in the labor market requires understanding of the employees' needs, and development of HR retention strategies to recruit and retain the best talent and motivate them to contribute their best to the organisation. Pride in the establishment where they work and what they do; meaningful work; respect – both personal and professional; and sincere expressions of appreciation – are some of the things the talented employees expect from an organisation. Above all, the opportunity to make a significant contribution that can benefit the company goes a long way in making the employee committed to the organization.

“What can companies do to retain that much-valued talent? Measurement is a key ingredient, but too many companies rely on anecdote and gut feeling to assess why talent is being lost. In this article, Dr. Andy Brown highlights two measurement methods and presents case studies to illustrate how better use of talent metrics can help to manage a high-performing and engaged workforce”.

SPSSTOOLS INFERENTIAL ANALYSIS:

Inferential Analysis is a process whereby a conclusion is drawn without complete certainty, but with some degree of probability relative to the evidence on which it is based. The Researcher has applied T-test, Chi-Square and Correlation to measure the level of Significance or relationship by framing hypothesis.

T - TEST:

A t-test is used as a hypothesis testing tool, which allows testing of an assumption applicable to a population. A t-test looks at the t-statistic, the t-distribution values, and the degrees of freedom to determine the statistical significance. To conduct a test with three or more means, one must use an analysis of variance.

CHI - SQUARE TEST:

A chi-square (χ^2) statistic is a test that measures how a model compares to actual observed data. The data used in calculating a chi-square statistic must be random, raw, mutually exclusive, drawn from independent variables, and drawn from a large enough sample.

Chi-square tests are often used in hypothesis testing. The chi-square statistic compares the size any discrepancies between the expected results and the actual results, given the size of the sample and the number of variables in the relationship. For these tests, degrees of freedom are utilized to determine if a certain null hypothesis can be rejected based on the total number of variables and samples within the experiment. As with any statistic, the larger the sample size, the more reliable the results.

CHI SQUARE ANALYSIS:

NULL HYPOTHESIS (H₀): There is no association between the Age of the respondents and their role of Work Environment factors in the retention of employees.

ALTERNATIVE HYPOTHESIS (H₁): There is some association between Total years of experience of the respondents and their opinion on Organisational support basis.

Age	Work Environment					Total
	SD	D	NA	A	SA	
<20 years	0(0.1)	0(0.1)	0(0)	1(1.1)	1(0.6)	2
20-25 years	5(6.2)	6(8.0)	2(2.7)	68(65.1)	35(33.9)	116
>25 years	2(0.6)	3(0.8)	1(0.3)	4(6.7)	2(3.5)	12
Total	7	9	3	73	38	130

Chi Square Value : 13.845

P-value : 0.006

Inference

Since probability value is less than 0.01, the null hypothesis is rejected at 1% level of significance. Hence concluded that there is association between the age of the respondents and their opinion on Work Environment.

CORRELATION:

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Work related Factors	Pearson Correlation	.975	.975	.998	.567	.992
	P-VALUE	.005**	.005**	.000**	.319	.001**
Work Environment factors	Pearson Correlation	.975		.987	.558	.994
	P-VALUE	.005**		.002**	.329	.001**
Superior-Subordinate relationship	Pearson Correlation	.998	.987		.557	.998
	P-VALUE	.000**	.002**		.329	.000**
Health Problems	Pearson Correlation	.975	.558	.557		.998
	P-VALUE	.005**	.329	.329		.000**
Organizational Support	Pearson Correlation	.992	.994	.998	.574	
	P-VALUE	.001**	.001**	.000**	.312	

NULL HYPOTHESIS (H0): There is no relationship among the various factors influencing the activities in retention management.

ALTERNATIVE HYPOTHESIS (H1): There is an relationship among the various factors influencing the activities in retention management

Inference:

From the above table following inference has been made:

The opinion of the respondents on Work related particulars and Work environment factors are highly Correlated and the Correlation value is 0.975 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.

The opinion of the respondents on Work related particulars and Superior-Subordinate relationship are highly Correlated and the Correlation is 0.998 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.

The opinion of the respondents on Work related particulars and Work related Health problems are not related with each other and the Correlation value is 0.567 and since the p-value is greater than 0.01, there is no relationship between the two factors.

Gender	Work Life Balance					Total
	SD	D	NA	A	SA	
Male	0	0	1	29	45	75
Female	5	5	1	14	30	55
Total	5	5	2	43	75	130

The opinion of the respondents on Work related particulars and Organisational support are highly correlated and the correlation is 0.992 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.

The opinion of the respondents on Work Environment factors and Superior-Subordinate relationship are highly correlated and the correlation is 0.987 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.

The opinion of the respondents on Work Environment factors and Work related Health problems are not related with each other and the value is 0.558 and since the p-value is greater than 0.01, there is no relationship between two factors

T-Test Analysis

Gender of the Respondents Vs Work Life Balance

Null Hypothesis (H0):

There is no significant difference among the means of Genders on the opinion of Work-life balance.

Alternate Hypothesis (H1):

There is a significant difference among the means of Genders on the opinion of Work

t-value :0.495

p-value : 0.629

Inference

Since probability value is greater than 0.01, the null hypothesis is accepted. Hence concluded that there is no significant difference among the means of Genders on the opinion of Work-life balance

PERCENTAGE ANALYSIS

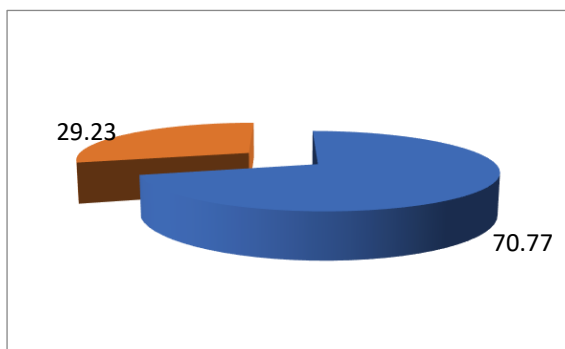
130 Respondents' Classification Based on Bringing Their Friend/Relative For The Job Positions Available

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	92	70.77%
No	38	29.23%
TOTAL	130	100.00%

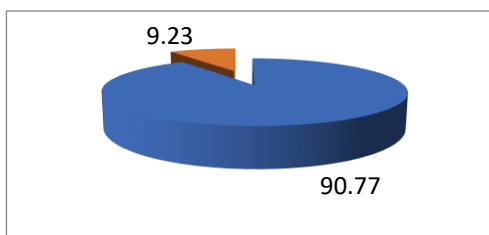
INFERENCE

Table demonstrates that 70.77% of respondents are willing to suggest their friends to join in this organisation and the remaining 29.23% of respondents were not willing to suggest their friends in this organisation.

Respondents Classification Based on Opinion of Career Development



PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	118	90.77%
No	12	9.23%
TOTAL	130	100.00%



Inference

Table demonstrates that 90.77% of respondents are willing to continue their further career in this organisation and the remaining 9.23% of respondents are not willing to continue their further career in this organization

FINDINGS OF THE STUDY

General Findings:

- The study reveals that most of the respondents 89.23% fall 20-25 years of age and a majority of the respondents 57.69% were males.
- A great majority of the respondents 60% were Graduates.
- Most of the respondents 84.62% have less than 2 years of work experience.

Specific Findings:

Work Related Factors

- The study reveals that most of the respondents 100% of the respondents agree that employee workloads are distributed fairly.
- A majority of the respondents 86.92% agree that job expectations are satisfactory.
- Most of the respondents 66.92% agree that job is challenging and interesting.
- The study reveals that 98.46% of respondents agree that the work timing is comfortable.
- The study illustrates that 60% of respondents agree that the pay structure is satisfactory.

Statistical Findings

- The probability value is less than 0.01, the null hypothesis is rejected at 1% level of significance. Hence concluded that there is association between the Total years of experience of the respondents and their opinion on Organisational support basis.
- The probability value is less than 0.01, the null hypothesis is rejected at 1% level of significance. Hence concluded that there is association between the age of the respondents and their opinion on Work Environment basis.
- The opinion of the respondents on Work related particulars and Superior-Subordinate relationship are highly Correlated and the Correlation is 99.8 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.
- The opinion of the respondents on Work Environment factors and Organisational support are highly correlated and the correlation is 99.4 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.
- The opinion of the respondents on Work Environment factors and Superior-Subordinate relationship are highly correlated and the correlation is 98.7 and since the p-value is less than 0.01, there exists a strong relationship between the two factors at 1% level of significances.
- Since probability value is greater than 0.01, the null hypothesis is accepted. Hence concluded that there is no significant difference among the means of Genders on the opinion of Work-life balance.

SUGGESTIONS

Apart from the findings mentioned above the research also places the following general suggestions for the enhancement of Employee Retention strategies in the organisation.

Corporations invest crores of rupees in recruiting and training employees. Retention of employees is an important issue in this highly competitive job market. A high turn out in the industry could be cause a lot of problems. The problems begin with recruitment practices and end with retention tools.

The suggestions given by the respondents to combat retention were:

- Reward adequately
- Creating a good job design
- Providing healthy environment
- Recognize performance promptly
- Providing better opportunities for career growth
- Better facilities and work environment
- Provide job security
- Provide friendly environment

CONCLUSION

It takes more than a generous benefits package and competitive salaries to attract and retain talented employees. Addressing the fundamental human need to satisfy the inner drive and a sense of professional pride in one's abilities are the key drivers that motivate the star performers in an organisation. Talent

Magnet organisations realize this, and continuously strive to address these fundamental human needs. By listening to the voice of their customers – their employees – and honestly engaging in self examination, they can create organisation that is a magnet for great employees.

` In summary, a well-orchestrated plan of exit surveys, in combination with other HR initiatives related to maximizing employee attitudes and behavior, has the potential to become a valuable tool to help reduce turnover and increase employee satisfaction and commitment. In turn, an effective reduction in turnover has clear economic and organizational made in an exit survey system benefits that can more than pay back the investment made in an exit survey system.

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