

A Study on Employee Retention Practices at Asia Pacific International

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Abstract: Effective employee retention is a systematic attempt by using employers, to create and foster the surroundings that encourage modern-day employees to stay employed, by way of having policies and practices in region that address their various wishes. A strong retention approach, consequently, becomes a powerful recruitment device. Retention of key personnel is vital to the lengthy-term health and achievement of any agency. It is a recognized reality that maintaining the great employees ensures customer satisfaction, satisfied colleagues and reporting staff, powerful succession planning, and deeply embedded organizational know-how and studying. This look at attempts to determine the numerous strategies followed through garment industries to keep their personnel. Job Satisfaction is the maximum ranked component for retention of employees of their present organisation.

Keywords: employee retention practice

1. Introduction

Today we are living in a dynamic world. Advancement of information technology has brought to centre stage the importance of human resource, more than ever before. In a competitive scenario, effective utilization of human resource has become necessary and the primary task of organizations is to identify, recruit, and channel competent human resources into their business operations for improving productivity and functional efficiency.

Qualified, motivated, and experienced human resources are also essential in economic, liberalization and globalization era. Human resource management is the most exciting area in the field of management. The responsibility of recruiting and selecting the right person for the organization is the major work of HRM department. Since people constitute the cornerstone of any organization, assumes nerve centre in most organizations. This is the science of managing employee/workforces in an organization. It ensures right person at right place at right time. It also provides training and development opportunities for their efficient performance. HRM develops practices which foster teamwork and flexibility and makes the employees feel that they are valued and their contribution is essential for the development and growth of organization. Employee Retention is an important aspect of human resource management (HRM). Improvement in employee retention is essential to reduce HRM practices cost and overall growth of the organization.

It can be a problem because of increased recruiting, selection,

training costs and work disruptions. Employee turnover can have several negative effects such as,

- Training costs for few new employees
- Vacancy costs (temporary help or overtime pay; productivity loss and service disruption)
- Placement costs (attracting, screening, and relocating new hires)
- Morale effects (loss of friendship, concerns about personal job loss during downsizing).

Poor compensation and benefits, negative work environment, frustration, constant friction with their superiors or other members, unfair treatment, lack of recognition; challenging job, job security, motivation, and opportunity for career development are the main causes of leaving or quitting job by employees. Thus, organization should address these things in time to retain their key employees. This study examines the employee retention strategies followed by five garment manufactures in Tirupur.

A. Objectives

- To identify how much the training programs are useful to retain the employees in the organisation.
- To understand the major factors that impact job satisfaction towards employee retention.

B. Research methodology

The study has been carried out by questionnaire based data. Random sampling has been adopted in the selection of samples.

C. Statement of problem

Retention of best, talent, and most desirable employees is a key challenge to garment industries in Tirupur. HRM department should take a deep concern in their employee turnover rate because it incurs direct and indirect expenses. Costs of employee turnover seriously have impact on garment industry performance and growth. In order to attain corporate goals, garment industry has to retain their key employees.

Thus, issues relating to these have been drawing the attention, like - Do garment industries in Tirupur apply fair HR practices to retain their key employees? Is there any problem of high employee turnover in garment industry? Do the garment industry are practicing motivational efforts to retain their talents? Are employees satisfied with their present job? What are the employee retention strategies followed by them? In

general, at present, not only in India, around the world, the organizations have been facing retention as a big challenge. With this objective this research work has proposed to see the reality in the garment industry of tirupur.

D. Limitation of the study

- This study deals only with customers in Tirupur city.
- The sample size is comparatively less.
- The time constrains are also the limiting factor.
- Getting suggestions from the employees were difficult as they had only very little free time to spare.

2. Review of literature

McCann (2004) unearths out some low income, poor blessings, bad communication, terrible environment surroundings, loss of recognition, unfair remedy, loss of hard process, loss of process security and life conflicts.

Howard and et al. (2007) carried out a studies and that they pick out the subsequent reasons for worker turnover: “Lack of boom possibilities, higher profession opportunity elsewhere, inadequate reimbursement, did no longer discover paintings interesting, inadequate rewards/ recognition, did no longer experience efforts wherein preferred, job was now not what became expected, poor match with the organizational culture, outside elements, job left too little time for personal lifestyles, capabilities/skills no longer an awesome fit for the process, felt unfairly treated/discriminated towards, process modified focus or scope beyond regular time, poor courting with the supervisor, the economy modified, making a flow humans, and terrible courting with co-workers”.

Trulson (2007) shows following five methods: “preserving staffing levels, enforcing team control, updating recruitment/screening method, addressing repayment issues, and expert development applications”.

Gberevbie (2010) suggests ten techniques of employee retention. They are as follows: “Payment of monthly salaries to personnel, surprisingly true monthly revenue and allowances, provision of automobile, housing and furniture loan centers, health insurance scheme, job protection, regular advertising, fitness care offerings to personnel’ families, maternity leave with complete pay for girl employees and regular training of personnel”.

3. Analysis and interpretation

Tools used for the study are

- Percentage method
- Chi-square method

A. Percentage method

Percentage analysis is a statistical tool which is used to identify the percentage from the respondent’s response to single question which is accounted samples. It is used to compare the relative terms and distributions of two or more data.

$$Percentage = \frac{\text{Number of responses}}{\text{Total number of respondents}} \times 100$$

B. Chi-Square test

$$CHI - SQUARE = \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

Where,

O_{ij} – observed value

E_{ij} – expected value

E_{ij} = Row total x Column total / Grand total

Degree of freedom = (C-1) X (R-1)

Where C = No. of column

R = No. of row

C. Percentage analysis

Table 1
Age wise representation

OPTION	18-25 years	26-35 years	36-45 years	45 and above	Total
No of Respondents	48	25	15	12	100
Percentage (%)	48	25	15	12	100

Interpretation:

The above table shows that 48% of the respondents are under the age group of 18-25 years, 25% are under the 26-35 years group, 15% are under the 36-45 years group, 12% are under the 40 and above year’s category.

I concluded that majority (48%) are in the age group of 18-25 years category.

Table 2
Gender wise representation

Option	Male	Female	Total
No of Respondents	57	43	100
Percentage (%)	57	43	100

Interpretation:

The above table shows that 57% of the respondents are male, 43% are female.

I concluded that majority of the respondents (57%) are Male.

Table 3
Hierarchy wise representation

Option	Top level	Middle level	Shop floor level	Total
No of Respondents	27	56	17	100
Percentage (%)	27	56	17	100

Interpretation:

The above table shows that 27% of the respondents are under the top level category, 56% are under middle level group, 17% are under the shop floor category.

I concluded that majority (56%) of the respondents are in Middle level category in the organization.

D. Chi-Square analysis

Relationship between age of the respondent and the training programs conducted by the organization

H01: There is no significant difference between the age and

the training programs conducted by the organization to retain their employees.

H11: There is significant difference between the age and the training programs conducted by the organization to retain their employees.

Table 4
Chi-Square table

Degree of freedom	Calculated value	Table value	Level of significance	Accepted/Not accepted
3	8.970	7.815	5%	Not accepted

Interpretation:

The table value is lesser than the calculated value. Therefore, the null hypothesis is rejected and there is a significant difference between the age of the respondents and the training programs conducted by the organization to retain their employees.

Relationship between gender of the respondent and the factors influencing job satisfaction for employee retention

H0: There is significant difference between the gender and the factors influencing the job satisfaction of the employee in an organization.

H1: There is no significant difference between the gender and the factors influencing the job satisfaction of the employee in an organization.

Table 5
Chi-Square table

Degree of freedom	Calculated value	Table value	Level of significance	Accepted/Not accepted
3	3.876	7.815	5%	Accepted

Interpretation:

The table value is higher than the calculated value. Therefore, the null hypothesis is accepted and there is no significant difference between the gender of the respondents and factors influencing customer satisfaction for online shopping.

4. Findings

- According to the study, 57% of the respondents are Male and 43% of the respondents are Female. This shows that there is a moderate representation of both the genders in the selected sample.
- The factors that influenced the employees to retain in the organisation are ecological environment, work place provisions and health and family welfare measures.
- Majority of the respondents (86%) have undergone the training program conducted by the organisation and remaining 14% of the respondents have not attended the training program conducted by the organisation.
- According to the study, the job satisfaction of the employees has a great influence to retain the highly efficient employees

in the organisation.

- Following are barriers to retain the employees in the organisation.
 - Working atmosphere
 - Occupational health problems
 - Dissatisfaction with awards and hikes

5. Suggestions

- Companies should concentrate on creating great jobs through information sharing high level of encouragement.
- Most of the customers face a problem due to the hierarchical structure. Thus the organisation should adopt coaching rather than commanding.
- Organisation should plan a strategy of combining the short and long-term incentives such as bonus, stock option plans, retention bonus so that the industry can handle the problem of attrition.
- Every employee should be induced by personal development plan for the upcoming years.

6. Conclusion

From the personnel angle it is able to be concluded that worker turnover isn't always a natural phenomenon. There are reasons which lead to boom in attrition. It is determined that both the external and internal elements are responsible for worker turnover. It can be concluded that opportunity for increase and promotion outdoor, repayment, running situations, work timings/shifts, relationship with managers, vicinity of the enterprise, possibility to apply skills and work load are the primary motives for employee turnover. According to managers and employers, employees go away the company more due to inner reasons inside the business enterprise and much less due to outside reasons or their own non-public reasons. It can also be inferred that as majority of the reasons of worker turnover are from in the employer, they're controllable. If the company or management makes attempt by means of changing or editing HR regulations of the corporation then they may be able to manipulate worker turnover to a large extent.

References

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