

Perceptual Analysis of various Employee Retention Strategies: A Study of Select Manufacturing Sectors in Mysore District.

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Abstract

The study attempts to study the perception of employers and employee towards various retention strategies adopted in select manufacturing Sectors. For the 10 manufacturing sectors were selected in around Mysore district. Further a total of 300 respondents were randomly selected. Out of which 50 were employers and 250 were employees. Results revealed that employers perception towards various retention strategies were totally different when compared to the employee perception but all the retention strategies were equally important.

KEYWORDS: Employee retention strategies, Manufacturing sectors, employers and employees.

INTRODUCTION

The aim of any organisation is to keep and hold the experienced employees starting from a gardener to the general manager so that his expertise is not migrated out of organisation . The attrition opposite of retention takes away from the organisation with the migrating employee to outside world is his experience, his skill he or she has earned in his long years of service, his knowledge, his loyalty, his love and affection, the company secrets and formulas and amount of money company might have spent in giving him training and developing him as a useful and productive employee . So no company likes his employee moving out and this can not be stopped from the use of power and threatening , but can be only from understanding the reasons for his leaving and taking him to confidence and by consensus. The leaving employee brings additional expenses to company like advertising, interview and re-appointment of new employee.

REVIEW OF LITERATURE

A study by Ajay and Srinivas, (2016) was carried out to understand the opinion of employees towards various employee retention strategies and identify the important retention strategies which can work well for all employees of IT sector so that employees can be retained for longer period. Findings of the study revealed that employees of different job level differ significantly in their perception for communication effectiveness strategies, reward & recognition strategy, and employee's ideas & suggestion strategies, respectively. There are no significant differences in perception of employees of different job level for management & organizational strategies, orientation strategies, and employee benefit strategies.

Silpa, (2015) conducted a study where 150 employees of medium scale manufacturing industries from Ananta Pvc Pipes Private limited, Ananthapur were chosen. The purpose of the study was to know the various reasons for attrition and the retention strategies used in Ananta Pvc Pipes industry. Findings revealed that the reasons for attrition was identified and ranked according to the mean values. Lack of opportunity for advancement was the major reason for attrition and was ranked first, followed by job and employee mismatch, no support from supervisors, unpleasant working environment, lack of training facilities and so on. And the strategies adopted to cope with attrition was ; update and modify the skills of employees, concentrating on job rotation, improving the role of HR, improving the recreational facilities so that employees can be retained for long duration.

Based on the above Literature study the present study involved 10 ten retention strategies and they are as follows:

1. Compensation
2. Performance appraisal system
3. Career development
4. Employee engagement
5. Job satisfaction
6. Employer-employee relationship
7. Training and Development Motivation
8. Morale
9. Motivation
10. Team building

OBJECTIVE

To compare the perception of employer and employee towards various retention strategies.

RESEARCH METHODOLOGY

Research Design: The research design adopted was both descriptive and exploratory design

Data Collection: The data was collected through primary and secondary basis.

- *Primary data:* The primary data was collected through a structured questionnaire.
- *Secondary data:* The secondary data was collected through books, magazines, newspaper and articles
- *Sampling Technique:* The sampling technique employed is stratified Random sampling

Sample size:300

	Manufacturing sectors
No. of units	10
Employers	50

Employees	250
Total	310

SAMPLE

A sample of 300 respondents; 10 from manufacturing sector in and around Mysore region were chosen for the present study. They were further stratified on the following lines. Among them 50 were Managers and 250 were Non Managers from the manufacturing sector .Further out of 50 managers from manufacturing sector 37 male and 13 female managers were chosen, Out of 250 non-managers, 197 were male and 53 female non-managers from Manufacturing sector were chosen for the study.

INSTRUMENT

1. An interview schedule was prepared to gather the general information about employees of

manufacturing and IT sectors.

2. A structured questionnaire was developed by the first author for Managers and Non managers

separately.

SCORING AND ANALYSIS

A sector-wise difference in each component and total Employee Retention Strategies scores has been done through Discriptive statistics using SPSS for Windows Software (version 16.0).

The percentage was derived by the formula

$$(100*\text{mean})/40$$

40=8 statements for each strategy * 5 point likert scale.

ANALYSIS AND INTERPRETATION

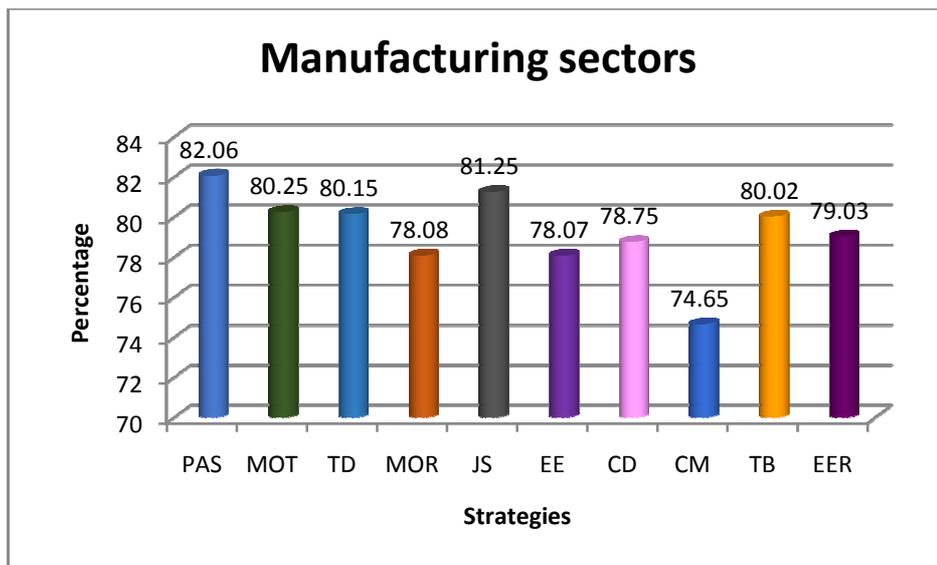
Employers view

Table 1: Mean scores, percentages and ranking of ERS among manufacturing sectors

Sl. No	Employee retention Strategies	Mean	SD	%	Rank
1	Performance appraisal system	33.04	5.20	82.06	1

2	Motivation	32.10	5.30	80.25	3
3	Training and Development	32.06	4.99	80.15	4
4	Morale	31.52	5.32	78.08	8
5	Job satisfaction	32.50	4.66	81.25	2
6	Employee engagement	31.48	4.71	78.07	9
7	Career development opportunities	31.50	5.20	78.75	7
8	Compensation management	29.86	4.58	74.65	10
9	Team building	32.08	4.35	80.02	5
10	Employer –employee relationship	31.72	4.53	79.03	6

Figure 1: Mean scores, percentages and ranking of ERS among manufacturing sectors



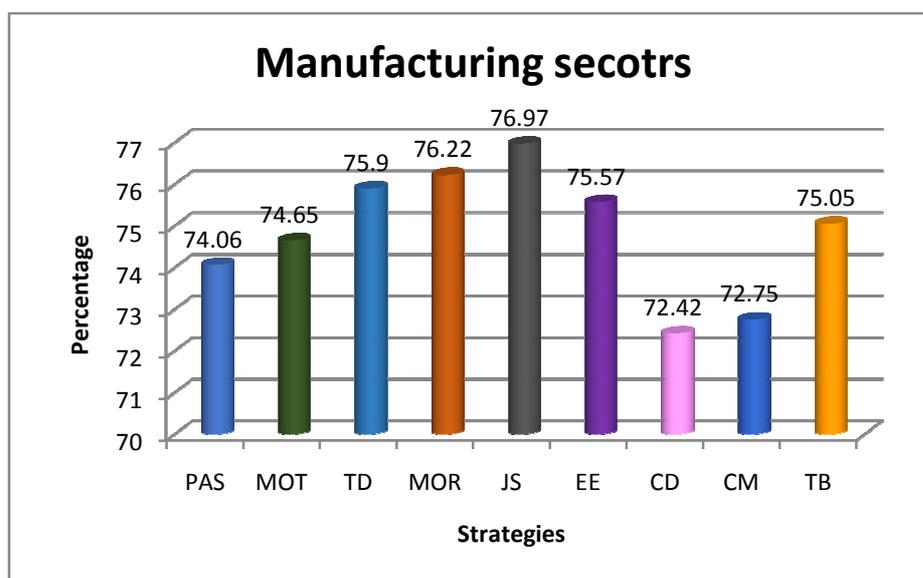
Employees view

Table 2: Mean scores, percentages and ranking of ERS among manufacturing sectors

Manufacturing sectors					
Sl.No	Employee Retention Strategies	Mean	SD	%	Rank
1	Performance appraisal system	29.84	5.59	74.06	8
2	Motivation	29.86	5.70	74.65	7
3	Training and development	30.36	5.61	75.90	4
4	Morale	30.49	5.12	76.22	3

5	Job satisfaction	30.79	4.91	76.97	1
6	Employee engagement	30.23	5.45	75.57	5
7	Career development opportunities	28.97	6.53	72.42	10
8	Compensation management	29.10	6.05	72.75	9
9	Team building	30.02	5.93	75.05	6
10	Employer-employee relationship	30.51	5.62	76.27	2

Figure 2: Mean scores, percentages and ranking of ERS among manufacturing sectors



FINDINGS

The perception of *Employers of manufacturing firms* towards employee retention strategies were ranked in the order of most important to least important. According to it 'performance appraisal system' has been ranked *first* with a percentage of 82.06 and a mean score of 33.04, followed by 'job satisfaction' which has been ranked *second* with a percentage of 81.25 having mean score of 32.50, 'Motivation' has been ranked *third* having a percentage of 80.25 with a mean score of 32.10, the strategy 'training and development', has been ranked *fourth* having a percentage of 80.15 and a mean score of 32.06, 'Team building' has been ranked *fifth* with the percentage of 80.02 and having mean score of 32.08, 'employer employee relationship' has been ranked *sixth* with the percentage of 79.03 and a mean score of 31.72, 'career development opportunities' has been given *seventh* rank with a percentage of 78.75 and a mean score of 31.50, 'morale' has been ranked *eighth* with a percentage of 78.08 and a mean score 31.52, 'employee engagement' has been ranked *ninth* with a percentage of 78.07 and having a mean score of 31.48 and the least was 'compensation' which has been ranked *tenth* with a percentage of 74.65 and showing mean score of 29.86.

The perception of **employees of manufacturing firms** on employee retention strategies were ranked in the order of most important to least important. According to their perception, 'job satisfaction' has been ranked *first* with percentage of 76.97 and having a mean score of 30.79, followed by 'employer employee relationship' which has been ranked *second* with a percentage of 76.27 and a mean score of 30.51, 'morale' has been ranked *third* having a percentage of 76.22 with a mean score of 30.49, 'training and development' has been ranked *fourth* having a percentage of 75.90 and a mean score of 30.36, 'employee engagement' has been ranked *fifth* with a percentage of 75.57 and having a mean score of 30.23, 'team building' has been ranked *sixth* with a percentage of 75.05 and a mean score of 30.02, further the strategy 'motivation' has been ranked *seventh* having a percentage of 74.65 and showing a mean score of 29.86, 'performance appraisal system' has been ranked *eighth* with a percentage of 74.06 and a mean score of 29.84, 'compensation' has been ranked *ninth* with a percentage of 72.75 and having a mean score of 29.10 and the least was 'career development opportunities' with a percentage of 72.42 and showing a mean score of 28.97.

CONCLUSION

Finally, we can conclude that the perception of employers/managers and perception of employees/non-managers were different. Employers always look for performing employees, where as an employee looks for job satisfaction in the organization. The order of priority also varied. Though the perception of employers and employees were different but all strategies were equally important in retaining employees because all strategies had good percentages. Thus, creating proper environment and evolving better Employee Retention strategies can result in invaluable benefit to the organization in both quantitative and qualitative terms. Since 'a rupee saved is a rupee earned' organization need to focus on increasing its savings by avoiding attrition and promoting suitable and flexible retention policies.

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