



A Study on Employees Attrition at Popular Plastics

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ABSTRACT

The analysis has been carried to find out the most important factor that affect employee's attrition and retention. The opposite of attrition is retention. The challenge is not only to attract the talented employees and to retain them. The objective of the study is to analyze the organizational factors influencing the employee retention and to find individual factors leading employees to leave the organization and to examine the necessary conditions to retain the employees.

INTRODUCTION

Employee Attrition refers to when a company employee chooses to leave when company to work for other company. Employee attrition is a very common process across organizations. Various employee leaves one company for other company just because of some benefits. The benefits depend on employee to employee like some may be better compensation, distance from home, better growth Opportunity, better skillset training, better role, environment factors, bad relationship with managers etc.

Effective employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs Retention of key employees is critical to the long term health and success of any organization. It is a known fact that retaining your best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning Employee retention matters as organizational issues such as training time and investment, lost knowledge, insecure employees and a costly proposition for an organization.

Employee retention is simple to understand, but at the same time it can be difficult to achieve. Knowing what employees want and need is a step in the right direction. Managers must acknowledge and accept that they are accountable for managing the factors within their control to help to retain their most valued employees. Intelligent employees always realize the importance of retaining the best talent. Retaining talent has been so important in the Indian scenario. However, a thing is no dearth of opportunities for the best in the business, or even for the second or the third best.

OBJECTIVE OF THE STUDY

- To find the individual factors leading employees to inhibiting the organization.
- To identify the various factors determining retention of employee in organizations.
- To examine the necessary conditions to decrease employees attrition rate in the organization

LIMITATIONS

- Duration is limited to 12 weeks
- The study was limited to the extent of information provided by the employees
- The responses from the employees could be casual in nature, chance of bias is present
- The information was collected through questionnaire is subject to willingness of the respondent to respond

STATEMENT OF THE PROBLEM

Employee attrition plays a major role in the development of an organization. The term attrition refers to a gradual but deliberate reduction in staff numbers. It is defined as the natural process by which employees leave the workforce. Employee retention is the organizational goal of keeping talented employees and reducing turnover by fostering a positive work . This study is conducted to find out the reason for attrition among employees of POPULAR PLASTIC INDUSTRY PVT.LTD

THEORETICAL BACKGROUND OF THE STUDY

Businesses invest a significant amount of time, effort and resources into their employees, from hiring to training and motivation. The loss of employees not only removes talent from a business, it also represents a loss of the company resources invested in the employee. Employee retention theory is philosophy centered on considering why employees leave a company and what can be done to keep them.

Herzberg's Theory

In the 1950s, Frederick Herzberg studied employee retention and motivation and eventually came up with his dual dimensional job satisfaction theory, noted J. Michael Syptak, M.D., David W. Marsland, M.D., and Deborah Ulmer, Ph.D., writing on the American Academy of Family Physicians website. Herzberg believed that the two dimensions of job satisfaction are dissatisfiers (he called them "hygiene" issues) and satisfiers, also called motivators. His theory was that employees can be retained through minimizing dissatisfaction and maximizing satisfaction. Dissatisfiers include factors such as:

- administration
- company policy
- working conditions
- supervision
- relationships
- salary

Hygiene Factors Matter to Business

It doesn't take a research study to know that sustaining a business is every company's goal. On the other hand, research is often the only way to reveal what motivates employees (satisfiers) and conversely what demotivates them (dissatisfiers). Herzberg's research goal was to identify the hygiene factors that demotivate employees because of the profound effect it has on the company's bottom line. While the demotivating hygiene factors are necessary for a company to survive, if the manifestation of these hygiene factors is off-center, it can eventually cause the business to have to shut its doors.

Herzberg's hygiene factors are wages and workplace policies, working conditions, relationships with co-workers, supervisor-employee relationships and being in a subordinate position. When hygiene factors are off-center, it means they aren't correctly implemented, not consistently applied, misaligned with the company goals or not right for the type of business or industry. For example, although wages are a necessary hygiene factor, many things can go wrong without a fair compensation and benefits package. There are many other reasons why employees look for jobs elsewhere, but money is among the least likely reasons why employees leave, according to Leigh Branham's research. However, staffing firm Robert Half surveyed finance professionals – chief financial officers and staff – and learned that salary and benefits accounted for the reason why 38 percent of CFOs and 28 percent of staff would quit their jobs. But turnover isn't the only thing companies should be worried about where the hygiene factor is concerned. It's a crucial factor for business because poor wages or a noncompetitive compensation and benefits package can create low morale among the workforce. Also detrimental to your business, is getting a reputation for paying low wages and not compensating workers fairly.

SWOT ANALYSIS OF COMPANY

Strength

Strengths are things that your organization does particularly well, or in a way that distinguishes you from your competitors. Think about the advantages your organization has over other organizations. These might be the motivation of your staff, access to certain materials, or a strong set of manufacturing processes.

Weaknesses

Now it's time to consider your organization's weaknesses. Be honest! A SWOT Analysis will only be valuable if you gather all the information you need. So, it's best to be realistic now, and face any unpleasant truths as soon as possible. Weaknesses, like strengths, are inherent features of your organization, so focus on your people, resources, systems, and procedures. Think about what you could improve, and the sorts of practices you should avoid.

Opportunities

Opportunities are openings or chances for something positive to happen, but you'll need to claim them for yourself! They usually arise from situations outside your organization, and require an eye to what might happen in the future. They might arise as developments in the market you serve, or in the technology you use.

Threats

Threats include anything that can negatively affect your business from the outside, such as supply chain problems, shifts in market requirements, or a shortage of recruits. It's vital to anticipate threats and to take action against them before you become a victim of them and your growth stalls.

REVIEW OF LITERATURE

1. Felicity AsieduAppiah, Eric Kontor and David Asamoah (2013) Human resource management practices like Communication and Compensation there frequently practiced and evaluated within the company to access the employee retention.
2. Vijayalakshmi V (2012) discussed in the study that employees-the bases of a company and hence human resource department must focus on them by identifying why employees are voluntarily leaving in an organization and what are all their needs relating to their growth, education and personal life. This approach would create a positive impact in employee retention in organizations.
3. Kate Hutchings et al. (2011) highlighted some strategies for attracting and retaining employees in the Australian Resources Sector. They classified three types of strategies in terms of organizational context-1, employment practices-2 and community and social concerns-3. Strategies with respect to company reputation, excellent work environment, high quality leadership, quality people, good communications and high ethics and professional standards are discussed in organizational context. Competitive remuneration, bonuses, training and development opportunities, benefit packages/workplace benefits, challenging work, career opportunities (international), rostering, permanent work and secured contract are discussed in employment practices
4. Daniel Esemie Gberevbie (2010) analysed the organizational retention strategies and employee performance in banking sector and resulted that suitable employee retention strategies help in achieving the goal of the organizations. The following strategies are recommendations in the study: 1. Employee must be encouraged by way of fair human treatment 2. Employees should be informed of on a regular basis the reasons for taking actions.
5. John Mason (2008) conducted a research and concluded that retention strategies now-adays are recognized as vital one in most of the industries. He listed out top ten retention strategies, these are as follows: 1. Treat employees like the way one treats his/her valuable clients. 2. Make the employee to fall in live with the company/organization where attached with. 3. Frame strong strategies for retention which ultimately brings recruitment advantages. 4. Right person for the right job. 5. Money is a driver but it is not the main reason for employees to stay. 6. To determine why employee, stay and leave, form employee committees. 7. Leadership style of the management. 8. Recognition 9. Fun in work teams 10. Competitive benefit packages.

RESEARCH METHODOLOGY

Data collection- Primary data: The primary data is collected through questionnaire.

Secondary data: websites

Sample design: This study is based on probability sampling , simple random sampling.

Sample size: The sample size is 94 employees from this organization

RESEARCH DESIGN:

A research design is a matter plan specifying the methods and procedures for collecting and analysing the needed data. It is the frame work for the research plan of action. Research design based on the descriptive research technique employing the survey method and analysis is made on this primary data collected for this projects study.

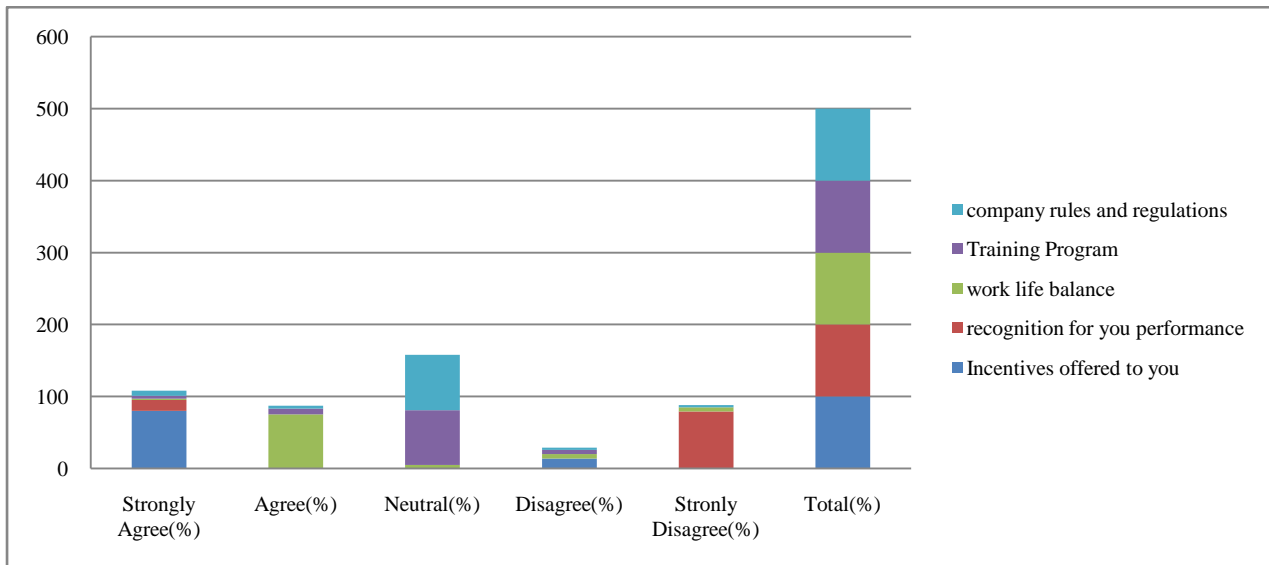
DESCRIPTIVE RESEARCH DESIGN:

Descriptive research design was selected to achieve the stated objectives. Research studies are those, which are concerned with describing the characteristics of a particular individual, or group on determining the relationship between the variables as to be measured descriptive research design was selected. The objective of the descriptive design is to answer the “who”, “what”, and “how” of the subject under investigation.

ANALYSIS AND INTERPRETATION

Opinion	Strongly Agree(%)	Agree(%)	Neutral(%)	Disagree(%)	Strongly Disagree(%)	Total(%)
Incentives offered to you	80	0	0	14	0	100
recognition for you performance	15	0	0	0	79	100
work life balance	2	75	5	6	6	100
Training Program	4	8	76	6	0	100

company rules and regulations	7	4	77	3	3	100
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RECOMMENDATIONS

- Retention of a positive and motivated employee is very important for the organization's success.
- High employee turnover increases the expenses and also has a negative impact on the organization's morale.
- Sincere efforts must be made to encourage the employees so that they stay happy in the current organization and do not look for a change.
- An organization invests time and money in grooming an individual and make him ready to work and understand the corporate culture.
- It has been observed that individuals staying in an organization for a longer time are more loyal towards the management and the organization.
- It is essential for the organization to retain the valuable employees showing potential.
- If an employee resigns, then a good amount of time is lost in hiring a new employee and then training him. It is expensive and leads to a temporary loss in efficiency.
- When a senior member decides to leave the organization, its effect can be felt throughout the organization, which in some cases, leads to more resignations.

CONCLUSION

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