



Factors Contributing to Employee Retention in L & T Technology Services of Vadodara City.

¹Ms. Hetvi Shah, ²Mrs. Nita Vaghela

¹Student, ²Assistant Professor

Faculty of Social Work, Parul University, P.O. Limda, Ta- Waghodia – 391760, Vadodara, Gujarat (India)

Abstract:

Encouragement of employees to remain with the business for the longest possible time or until a project is finished is known as employee retention. Retaining employees is advantageous for both the company and the employee. Today's workers are unique. They do not have favorable odds; others do. The focus of this paper is primarily on researching what variables lead employees to quit an organization and what retention tactics can be used, both of which are based entirely on past research by other scholars. The following aspects were primarily taken into account in this study: remuneration, the learning environment, growth and career development, training and development, professional relationships at work, and individual growth. In this study, Data collected from 132 employees of L & T technology services, various departments were selected using the simple random sampling method. Although there are many perceptions of employees regarding retention policy, this research came to the conclusion that the perception of employees regarding retention policy should be adopted in a way that will ultimately lead to job satisfaction. In order to plan that strategy, organizations should keep themselves updated with the changing expectations of employees.

I. INTRODUCTION MEANING AND DEFINATION OF EMPLOYEE RETENTION:

The ability of an organization to maintain its priceless employees is referred to as employee retention. Employee retention refers to corporate enterprises' attempts to keep up a professional environment that encourages current employees to stick around.

In order to enhance employee satisfaction at work and reduce the costs associated with hiring, retaining, and training of new employees, many employee retention strategies are designed to suit the diverse demands of the workforce.

In the words of Armstrong "Employee retention is the ability of an organization to retain its best employees and hence maintain a lower turnover. An organization is able to achieve this by adopting various employee retention programs."

Before retiring in the U.s, employees typically shift among five and six employers. Employee churn is a major issue for many organizations.

The issue of turnover is pervasive. Low staff morale, a lack of a defined career path, a lack of recognition, negative professional interactions, etc. maybe some of these fundamental elements.

An employee may leave the company and start seeking for new opportunities if they are not happy or committed to the company.

Contrary to expectations, salary does not necessarily play a significant role in generating turnover. To discourage employees' intentions to stay with the company, job autonomy, fairness, and appreciation are all necessary.

Employers might strive for "positive turnover," in which case they only keep the top performers within their workforce.

HUMAN RESOURCE MANAGEMENT AND EMPLOYEE RETENTION:

The term "human resource management" (HRM) refers to a planned and comprehensive approach to managing an organization's most valuable resource: the employees who, both individually and collectively, help the company achieve its goals. The word personnel management has largely been supplanted by the phrase "human resources" (hence referred to as "HR") to describe the procedures involved in managing people in organizations. HRM is quickly changing. Both an academic theory and a corporate practice, human resource management tackles both the theoretical and practical methods of managing a workforce.

Where HR-related functions should be organized within large enterprises is a topic of ongoing debate. In the last 20 to 30 years, there has been a significant transformation in both the HRM function and the HR profession. Currently, corporations view the "HR Department" as playing a significant role in hiring, developing, and managing personnel to ensure that both individuals and the organization are operating at their highest potential in highly gratifying ways.

The crucial HR systems are including identifying staff requirements, trying to decide whether to hire employees or contract workers to fill those needs, hiring and selecting the best candidates to ensure they are high performers, handling performance issues, and ensuring that your personnel and management practices comply with various regulations. Managing your approach to employee salary and benefits, employee records, and personnel regulations are additional tasks. The majority of the time, small enterprises (profit or nonprofit) are forced to do these tasks on their own since they are still unable to afford part- or full-time staff. However, they should constantly make sure that workers are informed of the personnel rules that adhere to the most recent laws. All employees are required to be familiar with these regulations, which are frequently included in employee handbooks. As a result, experts in the industry believe that human resource management offers a more cutting-edge perspective on workplace management than the conventional method.

II. REVIEW OF LITERATURE

Latha and Krishnaraj, (2015) carried out an empirical study on 150 employees from 3 different pharmaceuticals companies, Chennai. This study was conducted to identify the major factors influencing retention of employees. The findings suggested that a challenging work, constant training, direction, recognition and rewards, career developments are to be practiced in the organizations for retaining employees. During the research 68% of employees expressed positivity towards employee engagement, which is an indication that engaged employees are less likely to quit organizations. Finally, authors concluded that companies should learn from exit interviews and employee grievances. Adhering to these complaints' retention can be done in best possible way.

Naveed, et al (2015) carried out a study to assess the factors of employee retention that affect banking sector employees in Pakistan. The impact of independent variables (compensation & benefits, working environment, training opportunities, rewards and recognition and annual performance appraisals) on employee retention. The authors concluded that all the independent variables had positive influence on retention of employees. But mostly compensation had more impact on retention, indicating an employee who has been paid well is more satisfied.

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.

Sushmita and Ajaikumar, (2014) made an attempt to study the reasons for attrition, what measures can be used to control attrition and the retention practices which are prevalent in India. The authors concluded that organizations need people and people need organization both are dependent on each other and one does not exist without the other. When an individual joins an organization, he gets his dreams, hopes, ambitions, creativity and innovation, and the responsibility lies with the employer to recognize and preserve these assets for the future growth of the organization. An organization should create such an environment where people can achieve their individual goals and accomplish organizational goals. The retention plans are inexpensive which fosters productivity and makes sure that employees are emotionally attached.

Atif, et al (2011) carried out a study among 320 respondents from pharmaceutical industry, Pakistan. This research was done to investigate the relationship between job satisfaction, supervisory support, compensation and employee retention towards organizational commitment as a mediating variable. The results indicated that Positive relationship existed between supervisory support, compensation and organizational commitment. Further job satisfaction and employee retention had a significant relationship towards Organizational Commitment, indicating that an employee who is satisfied, well paid and who has good relationship with his superior will remain in the organization for a long duration and stay committed.

III. RESEARCH METHODOLOGY

OBJECTIVES:

1. To identify the factors affecting the employee retention rate.
2. To identify the factors affecting employee satisfaction.
3. To study the relationship between various motivational factors and employee retention.

RESEARCH DESIGN

Here researcher has adopted **Descriptive research design**. As a student this concept is completely new for researcher, so the researcher wants to describe each and everything in the Employee Retention Policy in organization.

UNIVERSE OR POPULATION

Here the universe considered for this study is the **200 employees** of the L & T Ltd.

SAMPLE SIZE

Here the sampling size for this study is **132 employees** according Krejcie and Morgan table.

SAMPLING METHOD

Here researcher uses the **simple random sampling method** use in order to collect the data.

SOURCES OF DATA

1. **Primary Data:** Primary data is collected through a structured questionnaire having a series of close ended and open-ended questions.
2. **Medium:** Google forms

DATA COLLECTION PERIOD

The study was conducted during the month of June to November at L & T Technology Services.

IV. DATA ANALYSIS AND INTERPRETATION

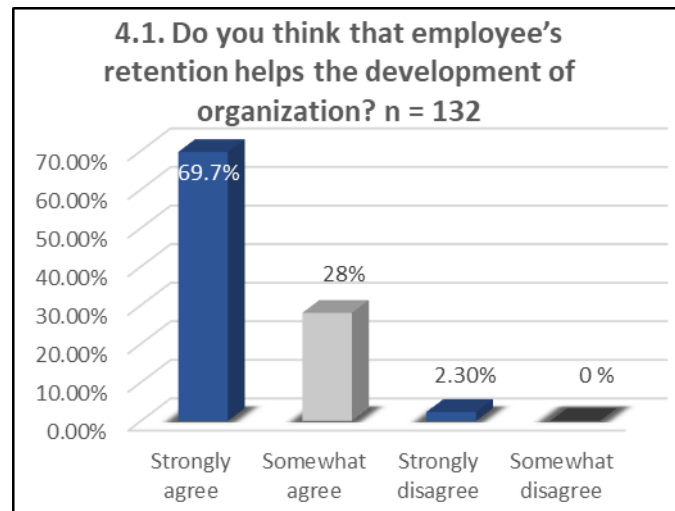
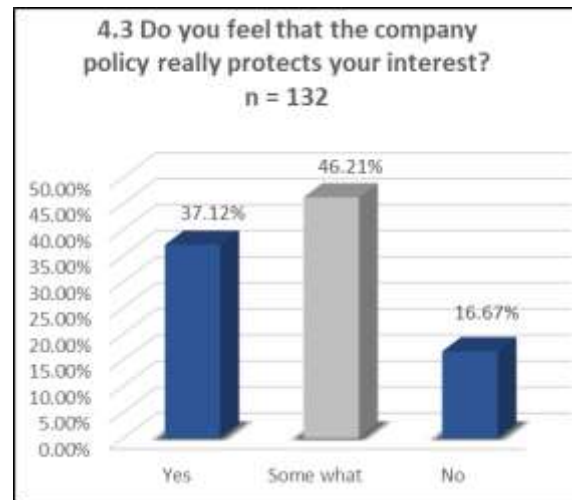


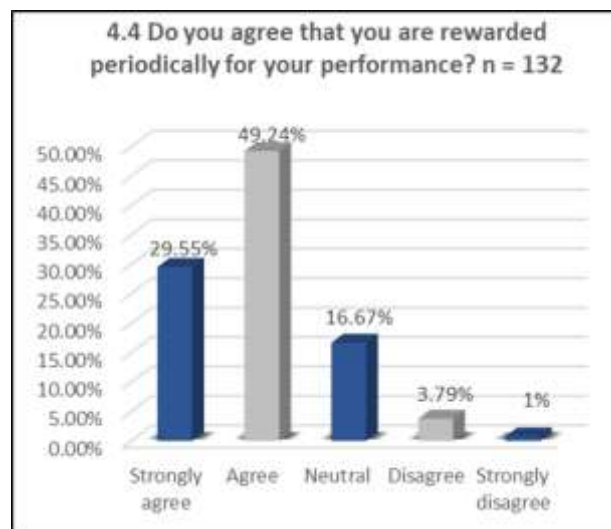
Table 4.1 shows that the respondents were think that employee's retention helps the development of organization. Further shows that 92 (69.70%) respondents were strongly agree that employee's retention helps the development of organization, 37 (28%) respondents were somewhat agreeing that employee's retention helps the development of organization, 3 (2.30%) respondents were strongly disagreeing that employee's retention helps the development of organization.



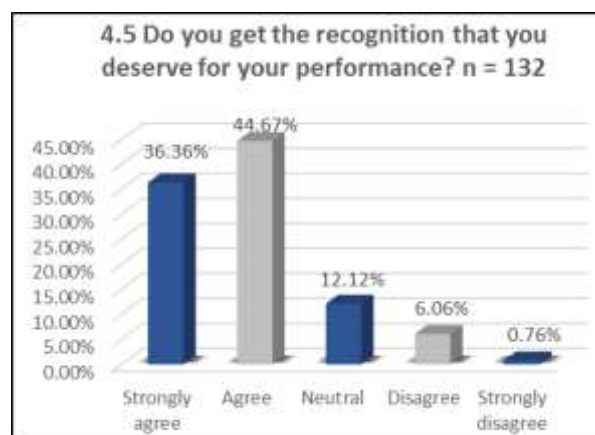
Table 4.2 shows that the respondents were satisfied with their salary paid by the organization. Further shows that 57 (43.18%) of the respondents were satisfied salary paid to them, followed by 56 (42.42%) of the respondents were somewhat satisfied and 19 (14.19%) of the respondents were not satisfied salary paid by the organization



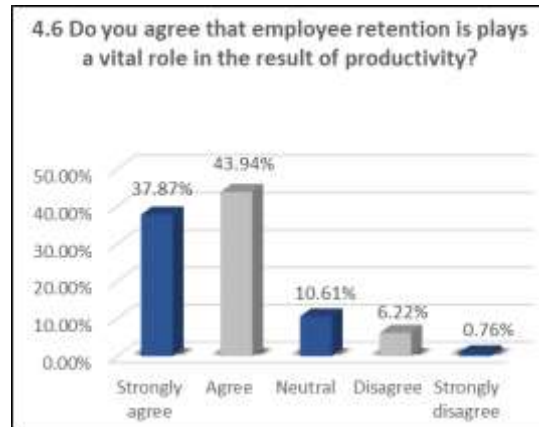
From the above table it is found that 61 (46.21%) of the respondents were somewhat they felt that the company policy really protects their interest, followed by 49 (37.12%) of the respondents were yes, they felt that the company policy really protects their interest, 22 (16.67%) of the respondents were not they felt that the company policy really protects their interest.



From the above table it is found that 65 (49.24%) of the respondents were agree that they were rewarded periodically for their performance, followed by 39 (29.55%) of the respondents were strongly agree, 22 (16.67%) of the respondents were neutral, 5 (3.76%) of the respondents were disagree and 1 (0.76%) of the respondents were strongly disagree that they were rewarded periodically for their performance.



From the above table it is found that 59 (44.67%) of the respondents were agree that they got the recognition that they deserve for their performance, followed by 48 (36.36%) of the respondents were strongly agree, 16 (12.12%) of the respondents were neutral, 8 (6.06%) of the respondents were disagree and 1 (0.76%) of the respondents were strongly disagree that they got the recognition that they deserve for their performance.



From the above table it is found that 58 (43.94%) of the respondents were agree that employee retention was plays a vital role in the result of the productivity, followed by 50 (37.87%) of the respondents were strongly agree, 14 (10.61%) of the respondents were neutral, 9 (6.22%) of the respondents were disagree and 1 (0.76%) of the respondents were strongly disagree that employee retention was plays a vital role in the result of the productivity.

V. FINDINGS

- Majority 69.70% of respondents are strongly agreed that employee's retention helps the development of organization.
- Majority 43.18% of respondents are satisfied salary paid to them.
- It is found from the analysis that majority 46.21% of respondents are somewhat they felt that the company policy really protects their interest.
- It is found from the analysis that majority 49.24% of respondents are agree that they were rewarded periodically for their performance.
- It is found from the analysis that majority 44.67% of the respondents are agree that they got the recognition that they deserve for their performance.
- It is found from the analysis that 43.94% of the respondents are agreed that employee retention has plays a vital role in the result of the productivity.

VI. SUGGESTIONS

- The organization should be paying a fair salary and other monetary benefits to the employees according to their abilities & talent.
- All the rewards & facilities have been provided on the basis of performance of the employees.
- An organization should organize training & development program according to the need of the employees.
- Proper feedback should be taken from the employees on the different employees and organization related.
- There should be adequate communication among the employees and supervisor.
- For greater mental health, the organization should motivate its personnel. Because employees are content with every area of their employment.
- For employee development and increased production, the organization must periodically provide training to its staff.
- To decrease employee retention, the organization must host pleasant events and celebrate holidays.

VII. CONCLUSION

According to the findings of the survey, the organization is good with its employees. The organization cares about its employees by providing a pleasant working environment, a competitive wage, and a network of supportive colleagues. Employees are also supportive and truthful in their work. Employees discovered that their supervisors are kind to them. Employees enjoy their vacation and are satisfied with their work. Employees are doing well and exceeding expectations because they are assigned jobs based on their qualifications, skills, and experience. A higher level of job satisfaction motivates people to work harder, which increases organizational production and profitability.

The relationship between numerous aspects and retention tactics and job attitude was pretty strong, and it was fascinating to learn that in most cases, job attitudes (Commitment, Involvement, and Satisfaction) were essential in maintaining the employee in the firm. The amount of dedication, participation, and contentment was the most important factor in retention. Aside from these characteristics, personal factors such as age, gender, and education are the most important contributors to employee sustainability in the firm. Many organizations have recognized the need of human capital, but few have taken

action. Most organizations' retention plans exist on paper, but they are neither appropriate to the employee desk nor transformed into actions. This study assists firms in attempting not to arrange retention measures in isolation, but rather to ensure that they form part of the overall strategies for bolstering the draw on human talent, which also involve sourcing, staffing, and development initiatives.

VIII. REFERENCES

- Latha, S., & Krishnaraj, R., (2015) "A Study on the Importance of Employee Retention in Pharmaceutical Sector in India". *International Journal of Pharmaceutical Sciences Review and Research*, 32(1); Article No. 19, pp 108- 111.
- Naveed, A., Muhammad, S. T., & Alamdar, H., (2015) "Human resource practices and employee retention, evidences from banking sector of Pakistan". *Journal of Business and Management Research*, No 7, pp 186-188.
- Silpa, N., (2015) "A Study on Reasons of Attrition and Strategies for Employee Retention". *International Journal of Engineering Research and Applications*, Vol. 5, Issue 12, pp 57-60.
- Sushmita, J., & Ajaikumar, S., (2014) "A Recent Study on Attrition Trends and Retention Practices in India: Issues and Implications". *International Journal of Human Resource Management and Research*, Vol. 4, Issue 2, pp 47-58.
- Atif, A., Ijaz-Ur-Rehman., Abdul, N., & Nadeem, S., (2011) "Employee retention relationship to training and development: A compensation perspective". *African Journal of Business Management*, Vol.5 (7), pp. 2679-2685