

RETENTION FACTORS ANALYSIS

A COMPARATIVE STUDY OF TEXTILE INDUSTRIES IN AHMEDABAD REGION

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PURPOSE

THE present study is an attempt to find out the factors which are considered by the executives while taking decision about to stay or to leave a particular organization.

Design/Methodology/Approach: *Research framework and hypotheses for the study purposes has been tested by taking sample of the executives of the textile units working in Ahmedabad region. Data have been collected through structured questionnaire based on five Likert scale ranging from very high i.e. more than 80%, high i.e. 65-80% to very low (below 35%). To collect the primary data, the executives were furnished with the questionnaire online via Google Docs. Survey through Google Docs was conducted in the period of April 2019 to March 2020. Responses of 192 respondents of different textile units running in Ahmedabad region were found useful for data analysis.*

Findings: *In the study, it has been found that the executives decide to stay with those organizations where the policy makers of the organizations consider and give importance to different personal factors of the executives and the organizational factors related to executives like work life balance, overseas training program, job security, self-esteem, working environment, exciting and challenging job in comparison of salary, family conflict, organisation brand name, financial package and fulfilment of social needs.*

Research Limitations: *The study has certain limitations but those do not detract the value of study. Limitations like the entire population has not been covered, identification of personal factors those have guided different personalities cannot lend them scientific verification. The findings of the study may be expected to hold good results about the executives of textile units.*

Key Words: *Employee Retention, Talent Management, Turn Over Cost, Organizational Leaders.*

Introduction

In the present age of competition, it has become the challenge for every organization to retain their best talent for maximum period as the talented persons are always considered as the asset of the organization.

To reduce the rate of retention it is important for the organization to provide a feeling of attachment with the organization to those persons in terms of their requirements, so that they remain loyal for the organization. To maintain a strong relation with those talented persons, companies have to find out different factors lead to retention of the employees. Present study shows some of the leading factors like

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Self-esteem, Challenging Job, Overseas Training Program in comparison of some others like Salary, Family Life, Stressful Work, Brand Name etc.

Literature Review

Employee retention is vital for any organization, which is desirable for success and to maintain a unique competitive advantage over the competition. Where the employees are treated as customers of the organization then the policy makers are able to retain their employees (Yamira, 2016). When a company cannot retain their employees, the costs of turnover, loss of knowledge, skills, talent, quality of service, and cost of overtime are just some of the issues a company may be facing in their operation (Jain, 2011). It has been felt important by the leaders of the organizations when the experienced and high calibre executives are retained in the organization then the cost of turnover can be minimized (Dinger et al., 2012).

The managers have given priority to the retention of their employees (Harris, 2014). All the procedures which are adopted by the organizations to encourage the talent to stay for maximum period is termed as 'Retention' (James & Mathew, 2012). It has been felt by the leaders that the cost of retaining employees is less in comparison to replacing them (Guilding, 2014). Improving retention of employees rather than increase in turnover of employees have attracted the attention of different businesses. Employees' motivation, their performance and the degree of commitment are effected by the actions taken by the managers in the organization and the employees retention issue has attracted attention to solve it. (Supanti, Butcher, & Fred-line, 2015). If important motivators at the work place which have positive impact on productivity are recognized then the employees' productivity can be increased (Conrad, Ghosh, & Isaacson, 2015).

It is suggested that talent's impact and contribution to an organization's performance when properly managed is substantial, thus, organizations compete to acquire and retain relevant talents (Michaels et.al., 2001). It has been well recognized by the managers that the retention of employees has declined the quality of product and services (Abii et al. 2013). When the employees are not satisfied then they leave the organization (Kim & Park, 2014). It has also been felt by the managers that organization's success and development are correlated with development of the employees (Lavine, 2014). If the organizational goals are to be achieved then the employee engagement and steady performance need the motivation (Shuck & Herd, 2012).

Researches have shown a positive correlation between the styles of bosses and performance and motivation of the employees (Aggarwal & Krishnan, 2013). Sangar and Rangnekar (2014), have noted that the prosperity of the organization is highly effected by the employees' motivation. Authors have tested that the attitudes of managers and the employees prevents intrinsic motivation. Turnover intention of the employees is directly affected with the intrinsic motivation. Moore, Cangemi, & Ingram, (2013), found that commitment and work attitude of the employees are directly affected the authority at work and managers perceive a direct association between these factors (Vallerand, 2012). Despite the currently economy is facing some issues, people are four times more likely to resign places, where they feel uncomfortable and dissatisfied than simply because having a better job opportunity (Branham, 2012). While money is still important to employees, it is not the main reason why employees decide to leave an organization. (Branham 2012) described a study the author developed with nearly 20000 post-exit surveys with the intension of identifying the real reasons why employee left companies. The conclusion was the existence of seven reasons for employee turn-over. One of the reasons Branham mentioned is the unrealistic job expectation.

As per (Kotter, 1973), 13 areas exist where employees expect to receive from an organization in accordance to their psychological contract. Some of those areas include a sense of having a job purpose, challenges at work place and security and recognition etc. In the same way, 11 abilities exist that organization

expect to receive from the employees, such as (a) ability of accept organization's demands, (b) ability of making responsible decisions by themselves, (c) ability to present and defend a point of view, and (d) ability of learn various areas of the business, among other liabilities. When parties meet their respective expectations, a good mutual relationship may be developed and both parts will benefit.

Ibidunni et al., (2016), Training and development programs at work place have been considered by the employees to stay and excel in the organization and the investments in the pathways of the employees have also been felt very important. If the training and development programs are aligned with organizational goals then the goals of the are achieved easily and the needs of the employees are also fulfilled hence decrease in turnover of the employees. Employees loyalty is built by the training which gives way to the learning and development chances in the organization. Business strategies are achieved if the talent is retained in the organization.

According to Herzberg (1966), Herzberg et al., (1959), the employees' turnover is decreased by the environment of appreciating and recognizing the employees at work place and the empowerment of employees to accomplish a particular work also play significant role and these also provide innovative ways for improving quality of services provided to customers. In a study conducted by Ummappa (2014) by taking a sample survey of 247 industrial units in Karnataka, it was found the level managers at all levels leave the job when they find lack of growth opportunities in the organization and if the appreciation at proper time has not been recognized then the managers at senior level take decisions to leave the organization. Three major factors responsible for attracting new talent at the junior manager level recognized were: working environment, career growth and learning opportunity and the compensation but the two least preferred factors for this level were found as job content and brand equity of the organization, whereas the working environment, robust risk management practices and performance management system were found to be the major responsible factors to attract managers at middle level. The least important factor for attracting senior executives was found as working environment.

A key component for measuring an organization's long-term health is the employee retention rate (McCollum, 2010). Immediate connection between training and organizational commitment and employee turnover has been recognized (Jehanzeb, Rasheed, & Rasheed, 2013). Training for employees and their development opportunities attract them to stay and excel in the same organization. By aiming at the alignment of organizational goals the importance of investment in employees is important and it also provides help in fulfilling the needs of managers as well as employees and decreases turnover also.

If friendly work environment and freedom in work are not provided, new challenges with proper responsibilities are not given to employees then they try to search for new job opportunities, moreover, the employees also feel the need of satisfactory packages and other attractive benefits. Attractive progress opportunities also reduce the rate of turnover of employees. Employees also prefer those organizations where the chances of promotions and attractive compensation packages are provided. Motivation of employees, stress free job, proper balance in work and life good management of employees, proper and timely recognition of their work definitely put a check on turnover of the employees. Sound retention policies of the management and proper coordination of human resource positively provide help in retaining the employees (Kim, 2012). Researches have also found that the intellect of the employees can be improved by providing training to them. Opportunities for the development has been recognized as the top motivator for the employees to retain (Secara, 2014).

Given the growing needs for organizations to retain its best employees in the face of competition, the findings of the study suggest that certain variables are crucial in influencing the employees' decision to either leave or remain in an organization. In the present age of competition some factors like training and development, timely and proper recognition of the performance of the employee, attractive financial packages and security of their job have been recognized by the researchers as very important to retain

the talent in the organization. All these factors should not be ignored by the policy makers (Mathimaran and Kumar, 2017).

According to Sneha Saravanan (2019), it is determined that both the internal and external elements are responsible for worker turnover. The factors that influenced employees to retain in the organization are ecological environment, workplace provisions and health and family welfare measures. 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 workload are the primary motives for employee turnover. According to managers and employers, employees go away from the company more due to inner reasons inside the business enterprise and much less due to outside reasons of their own or non-public reasons. It can also be inferred that as majority of the reasons of worker turnover are from the employers, and they're controllable. If the company or the 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.

Sample Size and Data Collection

In the present survey, a total number of 192 respondents comprising 121 males and 71 females, out of which 116 were married and 76 were unmarried, including maximum top and middle level executives like Senior Managers, Managers, Supervisors, Heads of Departments, Technologists, Senior Vice Presidents, Directors, Consultants, Executives and Country Manager, responded to the questionnaire and the primary data was collected specifically focusing on Ahmedabad region and Arvind Mills Pvt. Ltd. In the survey some factors have been taken for measuring the level of importance given by the executives for different factors like Work Life Balance vs. Salary, Family Conflict vs. Overseas Training Program, Job Security vs. Organisation Brand Name, Financial Package vs. Self-esteem, Working Environment vs. Financial Package, Fulfilment of Social Needs vs. Challenging Job, Relationship with Peer vs. Relationship with Boss, Self-esteem vs. Organisation Brand Name, Stressful Work vs. Organisation Brand Name, Work Family Balance vs. Career Growth. The primary data has been collected from April 2019 to March 2020.

Analysis

The following factors have been comparatively analysed on the basis of the importance given by the respondents for them and the results have been presented below in the form of bar charts.

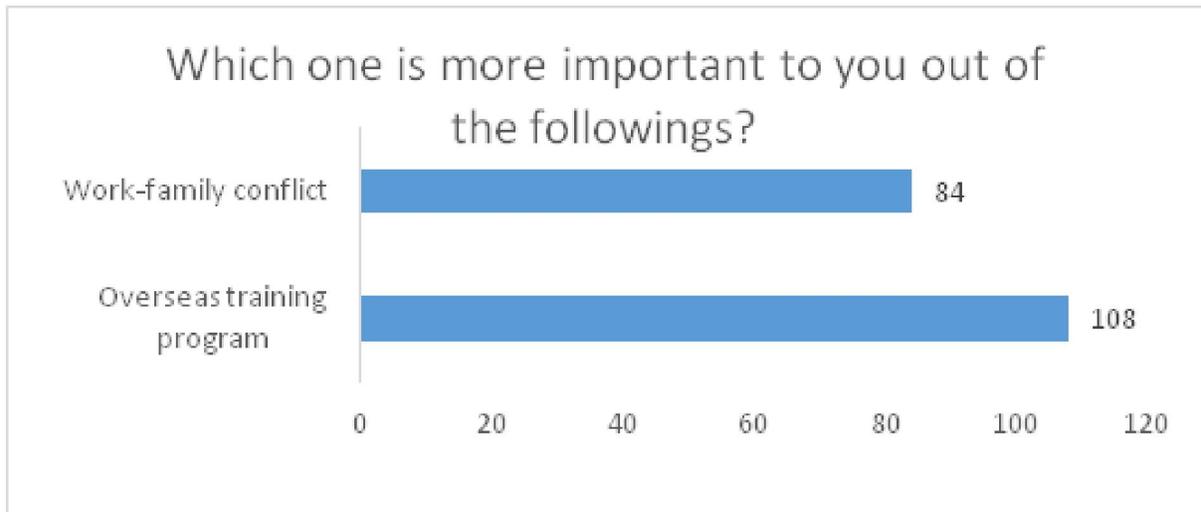
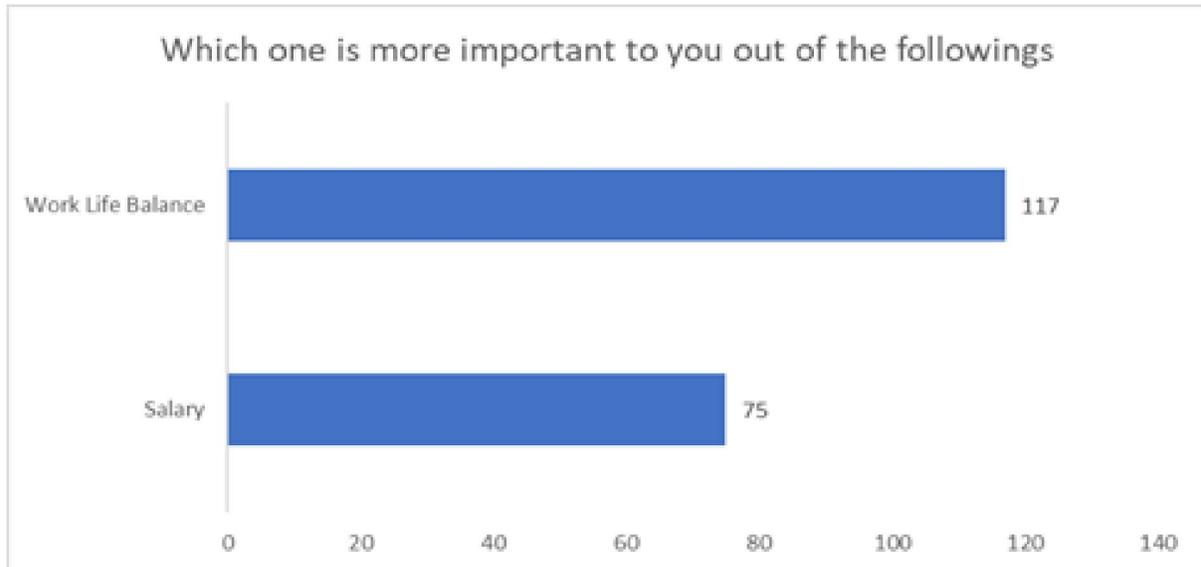
Work Life Balance Vs. Salary

It has been found that in comparison to Salary the respondents had given importance to maintain Work Life Balance, as out of a total number of 192 respondents, 117 preferred Work Life Balance and 75 respondents preferred Salary package, in percentage form, that came to 60.94% and 39.06% respectively.

Only offering Salary packages would not attract the decision of the executives to stay there for a longer period rather due weightage to maintain their Work life balance should also be given by the organizations to retain talent with them.

Work Family Conflict Vs. Overseas Training Program

When the question before the executives was put with regard to give importance to Work Family Conflict in comparison to Overseas Training Program, it was found that 56.25% respondents had given importance to Overseas Training Program and 43.75% preferred for Work-Family Conflict. Yet the major difference was not shown but Overseas Training Program was preferred more by the executives as it had been preferred by 108 respondents out of a total of 192 and rest 84 persons had preferred Work Family Conflict.

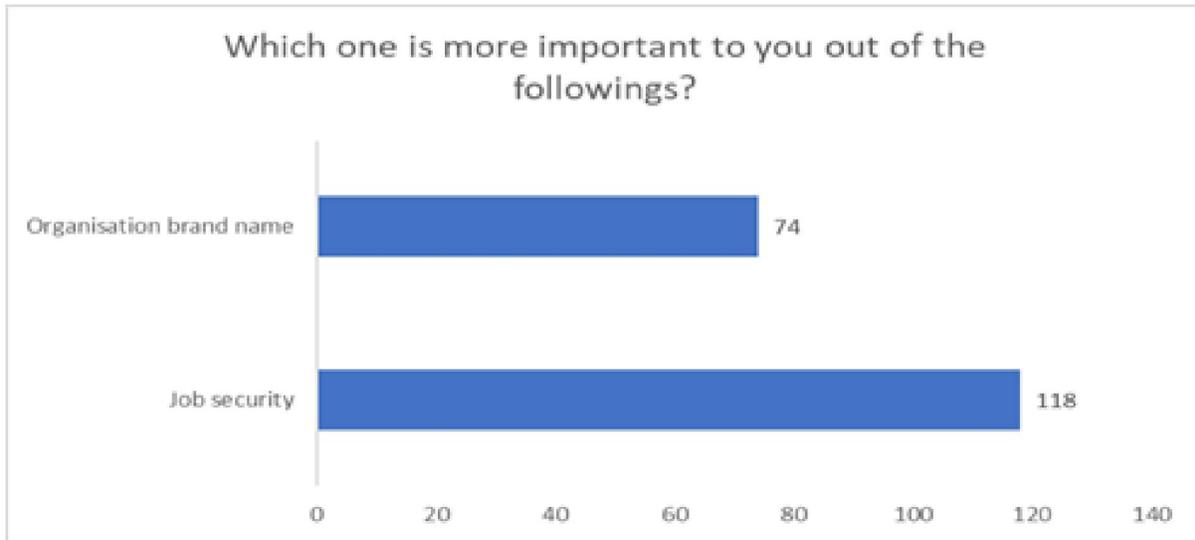


In present age, companies have tried to understand the importance of sending their executives in different countries for campus training, conferences, workshops etc. to develop and enhance their skills so that they could have the opportunities to get aware about culture and technologies adopted by those companies that actually have the impact on efficiency and work skills of the respondents to get more competitive.

Organisation Brand Name Vs. Job Security

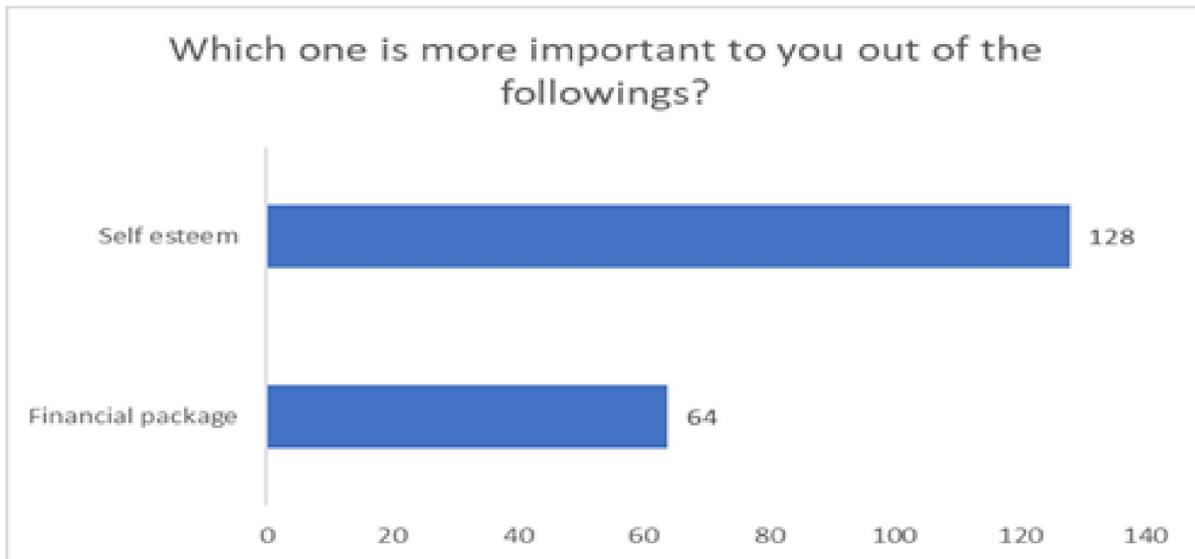
When the respondents were asked to which factor they give more importance to Organization Brand Name or Job Security, the results of survey highlighted that 62% of executives (118 respondents out of 192) preferred Job Security over Brand Name of Organization, but 38% of executives emphasized over Brand Name (74 out of a total of 192), they have felt Brand Name of the Organization was more important than Job Security.

Brand Name of the organization also matters and that distinguishes one organization from others. Everyone prefers to work with very reputed organization but on the other hand, it is very difficult for them to give their best in an unsafe and unsecure environment about their future.



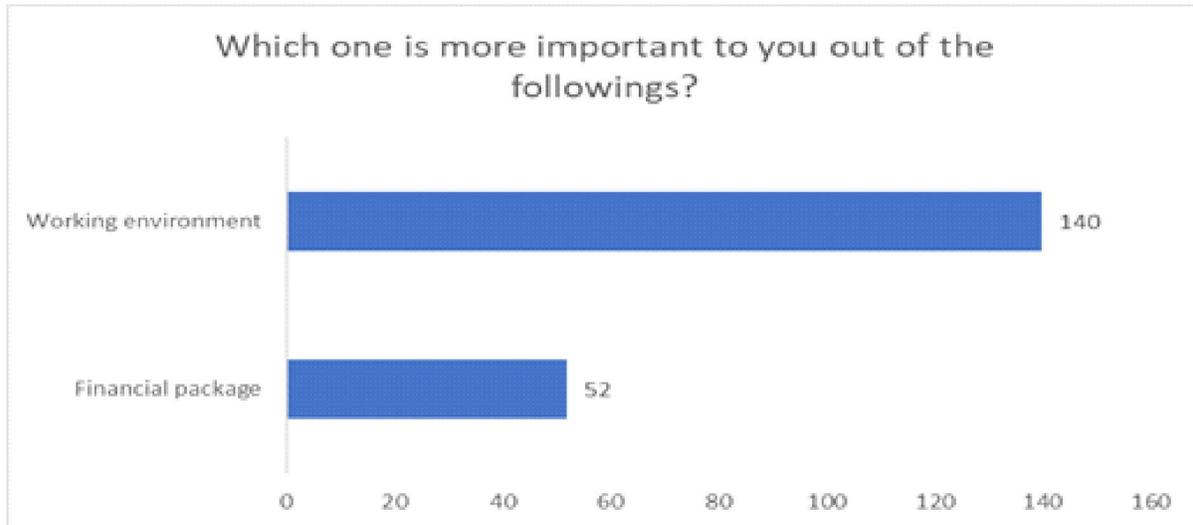
Self-Esteem Vs. Financial Package

Results indicated that 64 out of 192 respondents i.e. 33.33% of the executives had considered Financial Package as more important than Self-Esteem, but 66.66% of respondents (128 respondents out of a total of 192) were found more conscious about their Self-Esteem. It exhibits that a small number of respondents were found ready to work at little less Salary but maximum number of executives preferred Self-esteem i.e. recognition of their work and their position.



Working Environment Vs. Financial Package

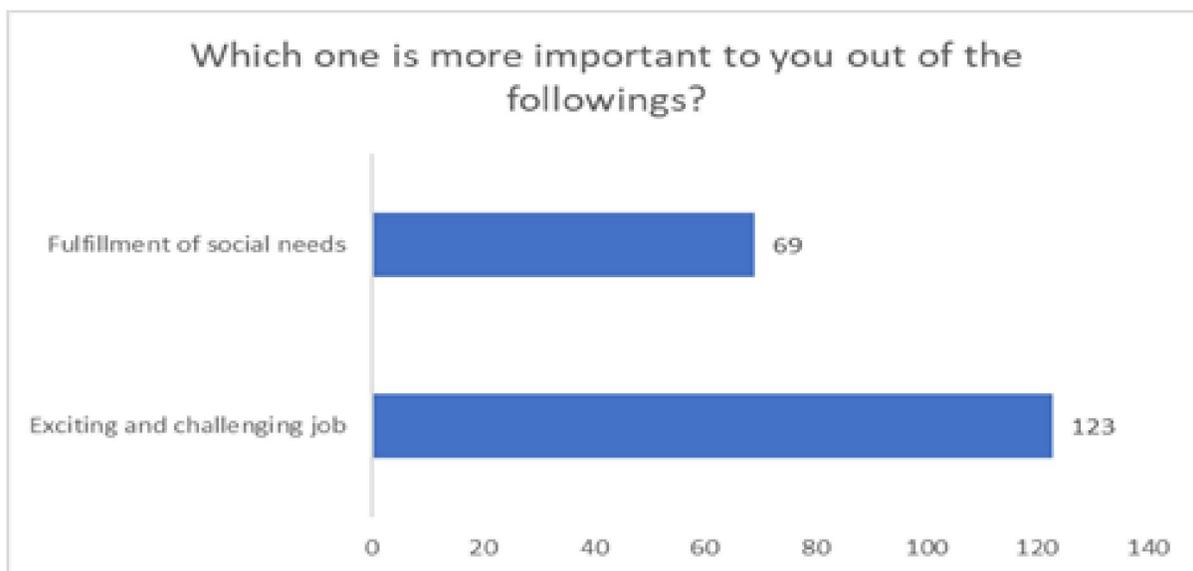
The executives were also asked as to which factor they consider more important out of Working Environment and Financial Package and the results showed that majority preferred the Working Environment over Financial Package as 140 executives out of 192 i.e. 72.9% expressed their preference for Working Environment rather than Financial Package as 52 respondents i.e. only 27% of respondents were found more concerned about their Financial Package.



Working Environment comprises all surroundings and physical conditions such as office temperature, equipment such as personal computers, work process, procedures, physical and geographical location etc. An improved and soothing work environment would positively affect staff turnover and they would get motivated to give their best for the growth and development of the organization.

Fulfilment of Social Needs Vs. Exciting and Challenging Job

64% of the executives (123 respondents out of 192) loved to do Exciting and Challenging Job rather than fulfilling their Social Needs. Such respondents could be called as risk takers as they are inclined to try new opportunities, new technologies, new methods etc. for completion of work. But 36% of respondents (69 out of 192 respondents) were found to give more importance for the Fulfilment of their Social Needs.

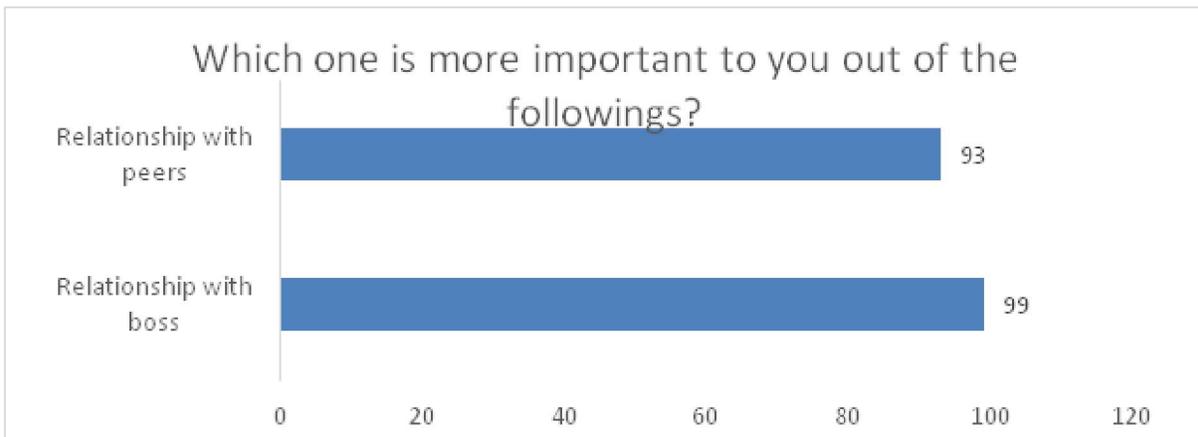


Challenging jobs are exciting and trial for new projects helps executives to learn new skills which pushes their abilities and make work much more interesting. Challenges at workplace were found to be the best motivator. Respondents love challenges when they believe that they have the ability

to meet them. Although, not every work is challenging but organization has to continuously look for the ways to make them challenging for their talented executives.

Relationship with Peers Vs. Relationship with Boss

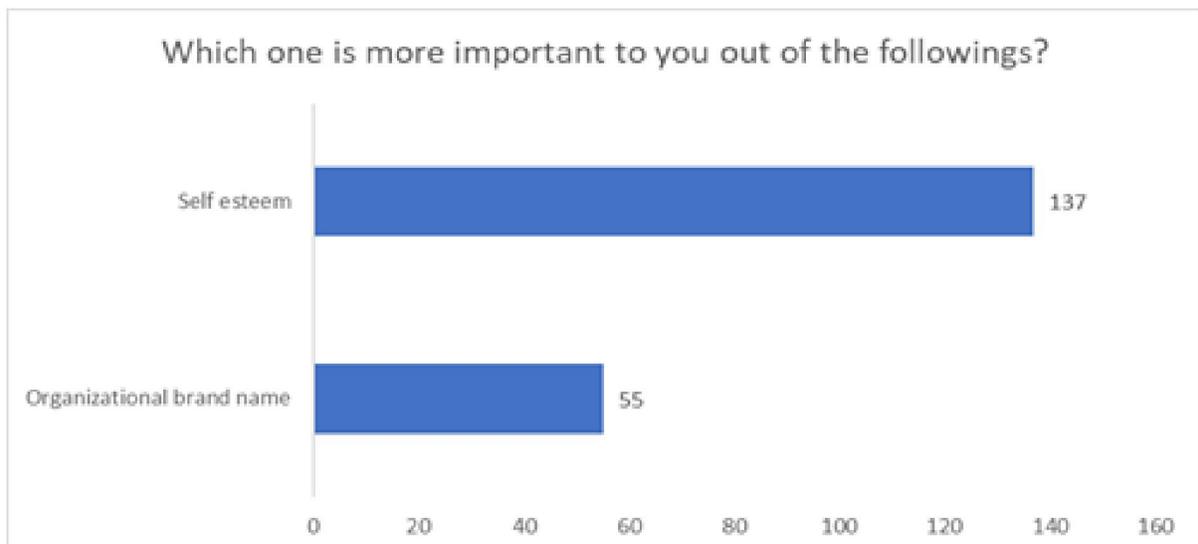
Relationship with Peers and with Boss had been given almost same importance by the executives. The results showed that 51.56% (99 out of 192 respondents) of respondents had given importance to the Relationship with Boss whereas 48.43% (93 respondents out of 192) have felt that Relationship with Peer are more important in comparison to the relationships with their Boss.



Relations built on honesty, trust and understanding can make the executives more effective. Strong relationships with peers generally lead to timely target achievements with job satisfaction but the Relations with boss are important for company productivity.

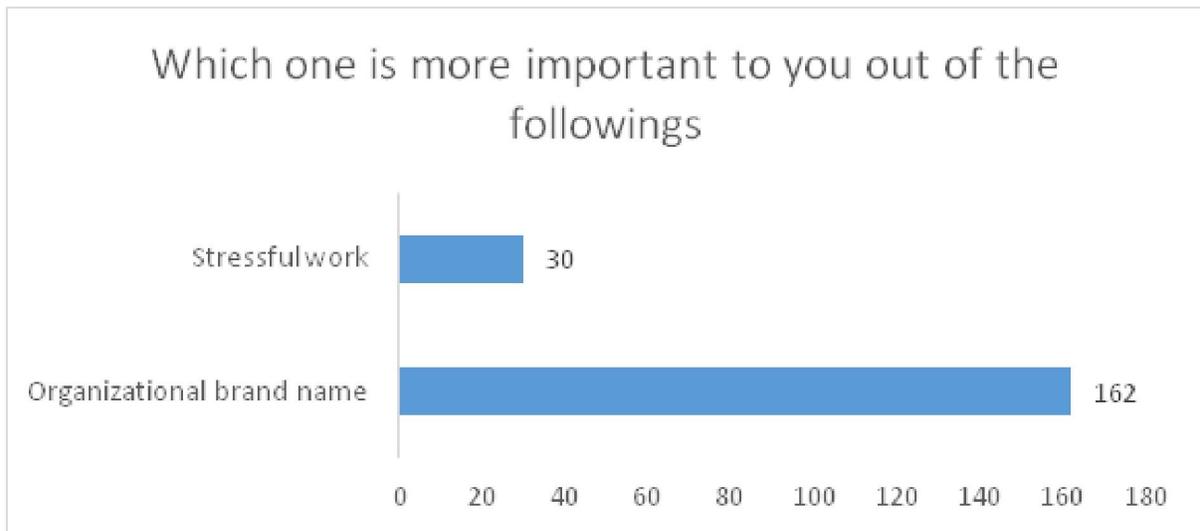
Self-esteem Vs. Organisational Brand Name

Organisation based self-esteem highlights self-esteem related to job satisfaction, commitment, motivation, performance, turnover, attitude and behaviour towards organisation. Individual self-esteem has great impact on his performance and role in the organisation. As result highlighted, 71.35% (137 out of 192 respondents) of respondents expressed that they will choose self-esteemed jobs over organisation brand names, and 28.64% (55 respondents out of a total of 192) prefer to work with famous and well-established organisations over Self-esteem factor.



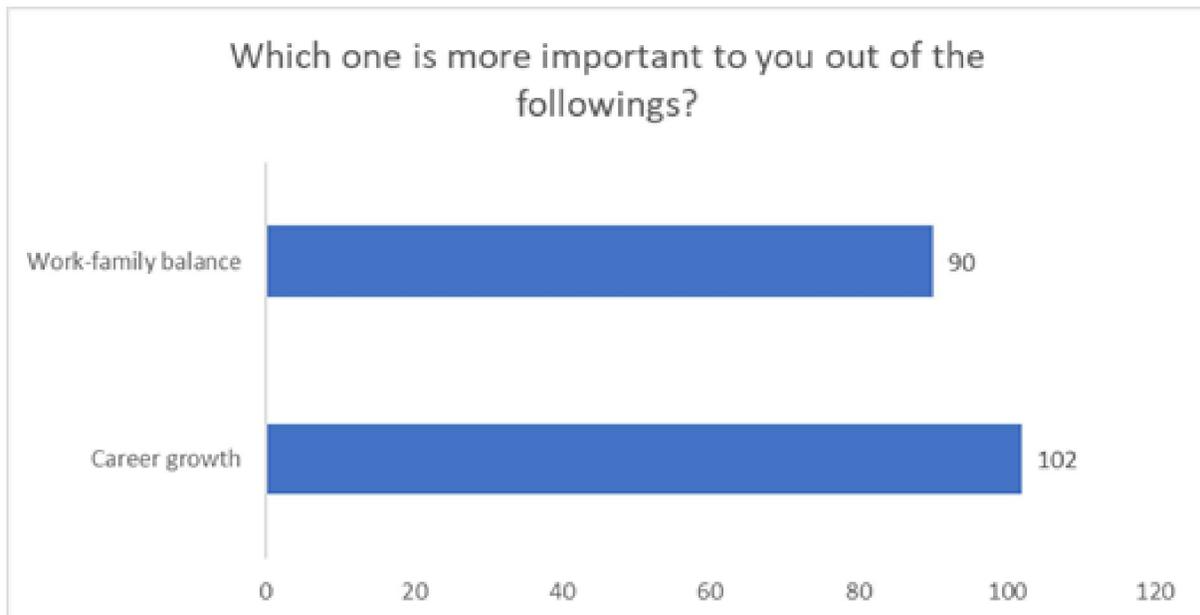
Stressful Work Vs. Organisational Brand Name

Stressful work represents the situation in which employee is not comfortable with his work or situation and nobody can perform well under such circumstances because everyone wants to work peacefully. The results also indicated that 84% of the respondents (162 out of 192) considered important in working in reputed organisations those have their Brand name in comparison to Work under Stress, as only 30 respondents (16 %) had given importance to this factor.



Work Family Balance Vs. Career Growth

When the respondents were asked as to which factor they consider more important out of the two i.e. Work Family Balance or Career Growth, the results showed that 102 respondents out of the total number of 192 persons (53.1 % of respondents), preferred Career Growth over Work Family Balance. But 90 out of 192 respondents i.e. 46.9 % executives preferred Work Family Life over Career Growth.



Conclusions

On the basis of the study conducted on the executives of Arvind Mills the following conclusions can be drawn:

Relationships had been given almost equal importance by the executives whether it was with Peers or with Boss.

Salary or the Financial Package had been given less importance by the executives in comparison to Work Family Balance, Self Esteem and Working Environment. So the organizations should not consider only the Financial Package as a prominent factor to retain their talent rather Self Esteem of the executives, proper time to maintain their Work Family Balance and good Working Environment in the organization must also be provided to their executives and then they would prefer to stay for a longer period in the organization. Work Family Conflict were given lesser importance by the executives in comparison to Salary but when the question related to Overseas Training Program or Career Growth was put, they were found more concerned about their personal growth and career oriented. So the organizations should give maximum opportunities to the executives for their personal growth and development.

The organizations having their Brand Name, while framing policies related to the retention of their talented executives, would have to keep in mind that Job Security and Self Esteem had been considered more important factors in comparison to Organization Brand Name, so the organizations would have to provide the environment to the executives where they could feel safe about their job and honoured for their working. The executives had given more importance to Brand Name in comparison to Stressful Work. It was also found that the executives were less concerned with the Fulfilment of Social Needs in comparison to Exciting and Challenging Job.

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