

Employees' Satisfaction on Retention Management Practices

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ABSTRACT--- The purpose of this paper is to identify the need of the Employee Retention Practices to be followed in the concern to retain the talented employees in order to increase the productivity and overall organization performance. Employee retention management offers various benefits like preserving the organisation's culture and maintaining the personal costs also low. The effective Employee Retention Management Practices consist of obtaining feedback from the employees, recognizing employees in the form of salaries and incentives, appropriate time – off and fair treatment to all. Empirical Research Design was used in this paper. Out of the total population, 200 respondents were identified to gather data using questionnaire survey method. It is found that, the facilities and amenities provided to the employees directed correlated to the retention of the employees. In this study, the level of satisfaction of employees is to be improved to reduce the cost of hiring and training new employees. The sample respondents of the study consist of employees irrespective of their cadre and age belongs to a particular Garment Company in Tirupur. The concerns should provide various amenities, facilities and required training facilities for the employees to stay in the present concern. In addition to this, the level of satisfaction of the employees should also be improved to ensure the cost effectiveness.

Key Words – Employee Retention, Employee Turnover, Absenteeism, Work Environment, Inter – Personal Relationship, Employee Perception, Level of Satisfaction.

INTRODUCTION

Employees are the backbone of any company. Retention of employees is important for the efficient functioning of the company. Retaining the deserved employees is beneficial to the company in all aspects, which may result in competitive advantage, high morale among employees and employee satisfaction. These factors lead to high productivity, increased sales better customer service and customer satisfaction.

Normally, companies would retain their employees for specific period to utilize their talents and skills for the execution of tasks without any interruption. To retain the qualified employees the companies are doing their best by following various retention strategies as they are the most valuable assets of the company. It is the systematic effort of the employer to identify the diverse nature of employees along with their variety of needs and create an environment that makes the employees offer continued service in the same company. A good retention strategy becomes a

powerful tool and retention of key employees is important to the long-term health and success of any company.

MEANING OF EMPLOYEE RETENTION

Employee retention is the ability of an organization to retain its valuable employees for a very long period of time until the company utilizes the skills and talents of the qualified employees. For which, the concern has to frame a lot of policies and practices to make employees stick to the company.

REASONS FOR EMPLOYEE RETENTION

The foremost reason should be to make the employee happy and satisfied with the present employer. Hence, the following efforts will be taken, like

- The employees will get hike in their compensation;
- The employees get all the benefits to be in the organization;
- Incentives are provided to retain the employees with happy.
- Employees are treated with proper respect and dignity;
- Based on the capabilities, promotion should also be offered.

SIGNIFICANCE OF EMPLOYEE RETENTION

- It helps to avoid high turnover costs which brings difficulty in meeting the organization goals;
- Replacement cost will be high as the new employees take time to adjust in the new environment and need proper training.
- To maintain or to even increase the existing productivity, it is good for the organization to retain the existing talents.
- It avoids absenteeism as the existing employees are well versed with the practices and in turn results in higher productivity and increased profitability.
- It retains the morale of the employees in turn increases the reputation of the organization.

FACTORS INFLUENCING EMPLOYEE RETENTION

In order to retain the best, the following are the few factors to be considered by the employer,

- Offering Competitive Compensation Package;
- Emphasis on Employee welfare Measures/Schemes;
- Maintaining cordial work place relationship and environment;

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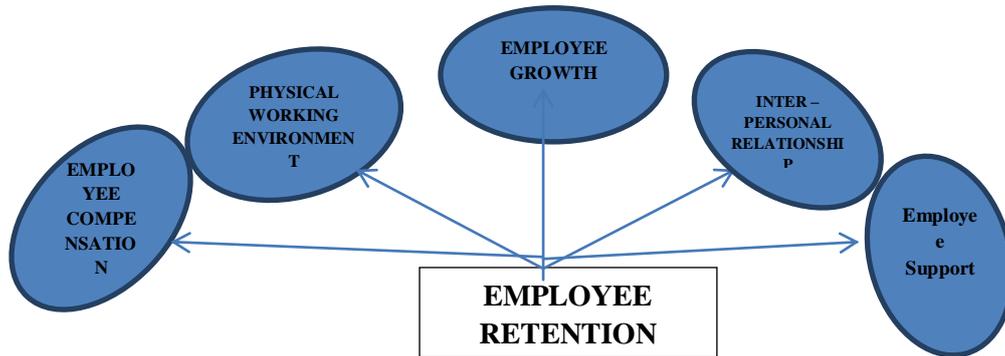
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- Arranging training programmes to abreast the current environment;
- Providing opportunities for their Growth and Development;
- Getting feedback from the employees and taking efforts to incorporate their suggestions wherever possible.

STRATEGIES TO EMPLOYEE RETENTION

The following strategies could be used by the employer to keep their best talented workforce for a longer period of time.



- Compensation:** The employees always have high expectations regarding compensation packages. Compensation should be given to the employees in the organization and it includes salary and wages, bonuses etc. Compensation helps to retain the employees in the organization.
- Physical working environment:** The physical working environment provided to the employees will make use of the available human assets and the employees should get proper appreciation, ample opportunities and friendly and co-operative environment.
- Growth:** The growth of the employee in the organization depends on work profile of the employee, they should be trained to improve their abilities and skills and achieve the personal goals.
- Inter-personal relationship:** The employees in the organization should create good relationship, towards the supervisors and other colleagues in the organization. A supportive work culture helps to grow employee professionally and boosts employee satisfaction.
- Support:** The employees in the organization should have proper support to work. Supervisor should support his sub-ordinates in such a way to work towards success. Employers should provide time to time feedback to make them feel comfortable in the organization.

REVIEW OF LITERATURE

A review of literature relating to employee retention and strategies followed by the organization are presented below:

- Himani (2018) in her study, 'The Relationship between Organisational Justice and Work Engagement: Trust as a Mediator', analysed the relationship between Organisational Justice and Work Engagement on how employee perception influence trust which motivate employee to engage in the work. The analysis was done to understand dimensions of organizational trust and work engagement. Primary Data was used and

questionnaire survey method was used to derive the data from 296 samples. Likert's 5 point scale, Correlation analysis, multiple regression analysis and Cronbach alpha values were applied for analysis.

- Aljohani (2016) reviewed in his study 'A Comprehensive Review of the Major Studies and Theoretical Models of Student Retention in Higher Education', the development phase of employee retention strategies. Various models were used to substantiate his research. Various assumptions were presumed and tested using the statistical techniques. The major finding in this study was to offer fairness in policy making.
- Das (2013) identified in his study 'Employee Retention: A Review of Literature', the factors influencing employee retention, job satisfaction and employee turnover'. The major objective of this study is to identify the factors which affect the retention initiatives in the concern. Descriptive study is done using the secondary data collected from various sources like books and magazines. The major factor that influences the employee retention was Job Security and Compensation.
- Samuel (2009) in his study 'Employee Retention and Turnover: Using Motivational Variables as a Panacea' analysed the extent to which the intrinsic and extrinsic motivational variables influenced the reduction in employee turnover and retention practices in the organisations. The cross-sectional survey research design is adopted. Survey method was followed to elicit the responses from 145 out of 1800 respondents belonging to both Govt. and Private sector organisations. Cronbach alpha coefficient test and Chi-square test was used to analyse the structured questionnaire used in the survey. It was derived from the analysis that, both the sector employees were influenced by a combination of intrinsic and extrinsic variables.



5. Towers Perrin (2008) in his study 'Reputation Building and Decision Making', found that there were three attributes that affect the ability to retain and engage employees across Europe. Those were: providing employees with appropriate decision-making authority to do their jobs, providing a good overall work environment, having a senior management team that visibly demonstrates its dedication to company values. The study concluded that the employees in the organization should participate in taking decisions and help them to take decisions through consensus and collaboration

NEED FOR THE STUDY

This study was undertaken in a Garment Company which is labour intensive in nature and where exists the need for retaining existing employees to avoid labour turnover which in turn results in increased cost of hiring, training, accommodating in the new environment. A concern which is highly concerned about retaining the best employees will always be better in providing cordial work environment, better compensation and offering opportunity for growth and personal development of employees.

Thus, the present study 'Employee Retention Practices in Garments Industry' is framed to identify the employees opinion about their current job and various retention practices followed in Garment Company like, on time compensation, adequate allowances, provision of loan facility, insurance facility, sanitary facility, canteen facility, rest room facility, first aid measures, role of supervisor, chances for personal growth, training programmes and congenial work environment.

OBJECTIVES OF THE STUDY

The following objectives were considered for study in this paper.

- i. To study the perception of employees about their current position in the company;
- ii. To examine the satisfaction level of employees on the retention practices of the company;

TABLE 1: DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS N = 100			
Sl. No.	Demographic Characteristics	Number	Per cent
1	GENDER		
	Male	112	56
	Female	88	44
	TOTAL	200	100
2	AGE GROUP		
	20-30 Years	44	22
	30-40 Years	112	58
	40-50 Years	30	15
	50-60 Years	10	5
	TOTAL	200	100

SCOPE OF THE STUDY

It is a chance for the company to examine the employees' opinion about their present job and their level of satisfaction about the retention management practices followed in the garment industry. This paper provides an opportunity to identify the most influencing factors of retention management strategies followed in the Garments Industry where the labour intensive method is still preferred.

RESEARCH METHODOLOGY

This study was conducted in a Garments company where T-Shirts, Pants, Chudidhar, Jeans and other cloth materials are manufactured on a large scale. Empirical Research Design was used in this study. Convenient Sampling Design was used to elicit the information from 200 respondents out of 1200 employees, drawn from a Garment Company functioning in Tirupur, Tamil Nadu. Likert's five point scale and Percentage analysis were used to identify the level of satisfaction of sample respondents. A well Structured Questionnaire was used in the survey conducted among the respondents to collect the primary data on the respondents' opinion on present job and satisfaction level on Employee Retention Practices. Secondary data were also used to identify the research gap in the study. A pilot study was also administrated among 25 respondents working in the same concern. Based on the responses, required corrections were made in the questionnaire to get the responses for the study.

LIMITATIONS OF THE STUDY

This paper concentrates only on the satisfaction level of the respondents over the employee retention practices followed in the Garment Company. The size of the respondents restricted to 200. Many respondents were unaware of the employee retention practices followed and based on the responses received, the analysis was made to draw the conclusion.

STUDY PROFILE



3	EDUCATIONAL QUALIFICATION		
	Upto HS Level	72	36
	Graduates	60	30
	Post Graduates	24	12
	Illiterates	44	22
	TOTAL	200	100
4	MARITAL STATUS		
	Married	103	51.5
	Unmarried	97	48.5
	TOTAL	200	100
5	LENGTH OF SERVICE (in Years)		
	Upto 5	28	14
	6 - 10	92	46
	11 – 15	54	27
	16 – 20	24	12
	Above 20	2	1
	TOTAL	200	100
6	DESIGNATION		
	Designer	42	21
	Knitter	52	26
	Tailor	56	28
	Cutting Master	24	12
	Khaja Making	26	13
	TOTAL	200	100
7	ANNUAL INCOME		
	UptoRs. 60,000	80	40
	Rs. 60,001 - 96,000	74	37
	Rs. 96,001 – 1,20,000	30	15
	Above Rs. 1,20,000	16	8
	TOTAL	200	100

Source: Primary Data

It is interpreted from this table which shows the demographic characteristics that,

Out of 200 respondents,

- 56 per cent of the respondents were male and 44 percent of them were female;
- 58 per cent of the respondents were in the age group of 30 – 40 years, 22 per cent were in 20 – 30 years, 15 per cent were in 40 – 50 years and only 5 per cent were in the age group of 50 – 60 years;
- It is the industry, where there is need for unskilled labour force, is proven with this table. In this, majority (36 per cent) of the respondents educational qualification was only ‘Up to Higher Secondary Level’, 30 per cent employees completed their graduation in various fields, 22 per cent of respondents were even illiterates and 12 per cent of them only completed their post-graduation, may be occupying the top position in the company;
- 51.5 per cent of the respondents were married and committed to the job and 48.5 per cent of the respondents were unmarried, who can often change their ideas about the job and positions.
- About 46 per cent respondents are with 6 – 10 years of service, 27 per cent of the respondents have 11 - 15 years of service, 14 per cent respondents have only 5 years of service, 12 per cent of the respondents have 16 – 20 years of service and only one per cent of the respondents alone have long

service with the present company i.e., above 20 years.

- The sample respondents were occupying various positions in the company like, Tailor (28 per cent), Knitter (26 per cent), Designer (21 per cent), Khaja Making (13 per cent) and 12 per cent were in the designation of Cutting Master.
- About 40 per cent of the respondents annual income was only ‘Up to Rs. 60,000’, 37 per cent of the respondents were earning the income of Rs. 60,001 – 96,000, 15 per cent of the respondents income level was between 96001 – 120,000 and only 8 per cent of them were earning the income of Rs. Above 120,000.

TABLE 2: RESPONDENTS’ OPINION ABOUT THE PRESENT JOB

Sl. No.	Opinion	Number	Per cent
1	Easy	76	31
2	Tolerable	62	38
3	Tough	42	21
4	Very tough	20	10
Total		200	100

Source: Primary Data



It is found from this table, that 38 per cent of the respondents have opined that their work burden in the present job is within 'Tolerable' limit. 31 per cent of respondents opined that it was 'Easy', 21 per cent of the respondents opined that it was 'Tough' to comply with the conditions and 10 per cent of respondents only had the opinion that the present job is 'very tough' to comply with, where the need for retention practices is visible.

TABLE 3: ISSUES FACED IN THE PRESENT JOB

Sl. No.	Issues	Number	Per cent
1	Poor Salary	73	36
2	Long working hours	74	37
3	Denial of incentive	30	15
4	Denial of bonus	23	12
Total		200	100

Source: Primary Data

It is observed from the table that, 37 per cent respondents expressed that they face the problem of 'Long

Working Hours', 36 per cent of the respondents expressed that they were getting 'Poor Salary', 15 per cent of the respondents said that have been denied Incentives during the period and 12 of the respondents expressed denial of Bonus.

TABLE 4: AWARENESS ON EMPLOYEE RETENTION PRACTICES AVAILABLE

Sl. No.	Awareness	Number	Per cent
1	Aware	128	64
2	Not aware	72	36
Total		200	100

Source: Primary Data

It is identified from this table that, 64 per cent of the respondents expressed that they were aware of the Employee Retention Practices available in the company and 36 per cent of the respondents were not aware of the Retention Practices followed in the company.

TABLE 5: EMPLOYEE RETENTION PRACTICES AND THEIR SATISFACTION LEVEL

Sl. No.	ER Practices	HS	S	N	DS	HDS	Per cent
1	On time Compensation	30	25	22	20	3	100
2	Adequate Allowances	15	30	10	35	10	100
3	Provision of Loan Facility	15	30	2	34	19	100
4	Medi-Claim/Insurance Facility	35	20	40	5	-	100
5	Proper Sanitary Facility	10	-	5	35	50	100
6	Canteen Facility	-	40	24	35	1	100
7	Availability of Rest Rooms	15	5	4	35	41	100
8	First – Aid Facility	20	13	-	35	32	100
9	Proper Work Environment	25	40	15	10	10	100
10	Chances for Personal Growth	30	7	45	-	18	100
11	Role of Supervisor	24	16	17	9	34	100
12	Opportunities for Promotion	34	35	11	-	20	100
13	Training Facility	31	20	21	28	-	100
14	Grievance Redressal Mechanism	-	-	-	40	60	100
15	Performance Appraisal System	36	2	32	30	-	100
16	Availability of Retirement Benefits	22	31	1	35	11	100

Source: Primary Data

It is observed from this table that, 16 factors have been identified as retention practices of the company to make their employees feel satisfied and offer continued service in the same concern

- It is revealed that, 30 per cent respondents were highly satisfied with the On time Compensation and only 3 per cent respondents were highly dissatisfied and which is highly negligible proportion;
- In case of Adequate Allowances, 90 per cent of the respondents were equally distributed between satisfaction and dissatisfaction scale and only 10 per cent of them were neutral in their opinion;
- In case of Provision of Loan Facility, 53 per cent of the respondents were dissatisfied with this practice and 45 per cent of them were in the satisfaction scale;
- 55 per cent of the respondents were highly satisfied and satisfied with the Medi-Claim/Insurance Facility offered by the company only 5 per cent of them were dissatisfied with that;

- In case of Sanitary Facility, 85 per cent of the respondents were both dissatisfied and highly dissatisfied with that and only 10 per cent were highly satisfied with the facility, which is a negligible proportion;
- 40 per cent of the employees were satisfied with the Canteen facility available, 36 per cent of them were dissatisfied with that and 24 per cent were them neutral in their opinion;
- 76 per cent of the respondents were both highly dissatisfied and dissatisfied with the Rest Room facility and 20 per cent of them were satisfied with that;
- In case of First Aid Facility, 67 per cent of them were dissatisfied with that practice and only 33 per cent were satisfied with that facility;

- i. 65 per cent of the respondents were satisfied with the Work Environment of the company and only 20 per cent were not satisfied with that;
- j. 37 per cent of the respondents expressed that, they have been given Chances for Personal Growth and satisfied with the opportunities provided for that. But 45 per cent were neutral in their opinion that they may not be aware of the same and only 18 per cent respondents were highly dissatisfied with the Chances Given for Personal Growth;
- k. 43 per cent respondents were not satisfied with the Role of Supervisor, 40 per cent of them were satisfied with his role and the remaining were neutral in their opinion;
- l. 69 per cent of the respondents opined that, they were both highly satisfied and satisfied with the Opportunities given for Promotion and only 20 per cent of them were highly dissatisfied with that;
- m. 51 per cent were both highly satisfied with the Training Facility of the company to fit their respective departments but 28 per cent of the respondents opined that they were dissatisfied with the same;
- n. In case of Grievance Redressal Mechanism, the entire batch of respondents was dissatisfied and highly dissatisfied. It is an alarm for the company to take immediate action otherwise which result into high turnover;
- o. 38 per cent of the respondents opined that, they were satisfied with the Performance Appraisal System of the company, 32 per cent were neutral in their opinion and 30 per cent were dissatisfied with the Performance Appraisal System of the company;
- p. 53 per cent were highly satisfied with the Retirement benefits provided by the company and 46 per cent of the respondents were dissatisfied with the retirement benefits offered by the company.

significant relationship between gender of the respondents and opinion about present job.

FINDINGS

1. Majority of the respondents have higher secondary level education qualification.
2. Respondents have an income of less than Rs.5000 per month.
3. Respondents who are tailors, who are the backbone of any Garment Company.
4. Respondent's working experience is of 6 to 10 years.
5. Respondents feel that the present job is easy.
6. Respondents are satisfied with salary/wages paid on time without delay.
7. Respondents are dissatisfied with adequacy of allowances.
8. Respondents are dissatisfied with loan facilities provided.
9. Respondents are satisfied with medi-claim/ insurance facility provided.
10. Respondents are dissatisfied that separate rest rooms are not provided for male and female employees.
11. Respondents are highly dissatisfied with working relationship towards supervisor
12. Respondents are satisfied with facilities are opened to fulfill the personal commitments.
13. Respondents gave first preference to first aid facilities.
14. Respondents are satisfied with training facilities are provided to face the changes introduced.
15. There exists the relationship between the gender of the respondents and their opinion about their present job.

RECOMMENDATIONS

- The management should take proper steps in their issues and should create confidence in the minds of employees.
- Management should concentrate on the issues relating to denial of incentives and bonus to the employees in order to make them committed to the company.
- Nearly 1/3 of the respondents were not aware of the retention practices followed in the company. It is the responsibility of the management to take efforts to make the employees aware of the facilities available in the company.
- It is the responsibility of the management to take active measures to reach the employees all the facilities and amenities provided.
- Sanitary facilities and rest room facilities should be provided by the management to the employees.
- Proper first aid facilities should also be provided by the management as per the rules specified by the Government.

TABLE 6: GENDER OF THE RESPONDENTS AND OPINION ABOUT PRESENT JOB

Sl. No.	Gender	OPINION ABOUT PRESENT JOB				
		Easy	Tolerable	Tough	Very tough	Total
1	Male	59 (42.56)	30 (28.56)	20 (34.72)	3 (6.4)	112
2	Female	17 (34.44)	21 (26.44)	42 (27.20)	8 (4.84)	88
	Total	76	51	62	11	200

Source: Primary Data

Chi-square Test was used for the above table and the following values were derived.

Ho.: There is no relationship between the gender of the respondents and their opinion about present job.

Level of significance: 5%

DOF: 3

Calculated value of chi square: 26.345

Table value of chi square: 7.815

As the calculated value is more than the table value of chi-square, the null hypothesis is rejected. So there is

- The role of supervisor should be enriched to maintain the relationship between employees and the supervisor.
- Proper efforts should be taken by the management to maintain a proper Grievance Redressal System which may be need of the hour in the present scenario. Unless otherwise, the employee turnover will be high and leads to high cost.

CONCLUSION

This study has undergone to evaluate the perception of employees towards retention management practices with special reference to garment company in Tirupur. It is concluded that many employers respond to the problem of employee retention by creating corporate cultures. Employee retention is an issue to be attended at once in any type of organization. It is derived that garment industries in Tirupur, meet the challenging opportunities, where they should provide adequate attention for the enhancement of different strategies to retain the employee and provide high retention of valued employees.

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