

ANALYSIS OF THE EMPLOYEE RETENTION POLICIES AT ORGANIZATIONS

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ABSTRACT

Introduction: Organizations must, however, recognize the many reasons why workers could quit a company to lower the employee turnover rate.

Aim of the study: the main aim of the study is to analyze On the Employee Retention Policies in organizations

Material and method: Simply said, a research design is a framework for a study's strategy, considering data collecting and analysis.

Conclusion: The factors influencing the career development programs are many of them and it varies according to the structure of the organization

INTRODUCTION

REASONS FOR EMPLOYEE TURNOVER

Employees may have several reasons to leave an organization such as low job security, poor superior-subordinate relationship, team fitment problem, unsatisfactory salary and benefits, poor growth prospects, poor work environment, high workload and job stress, lack of rewards and recognition, lack of role clarity, etc. In every organization, there are some employees who really help an organization to accomplish its objective and generate high revenues. Therefore, organizations must make effort to recognize and retain these valuable employees or workers who are crucial to the organization. To keep their finest workers, line managers and management must develop several employee retention methods. To lower the rate of employee turnover, they must also make sure that the staff members are happy with their positions and want to stick around for a longer amount of time.

Organizations must, however, recognize the many reasons why workers could quit a company in order to lower the employee turnover rate. Here is a list of potential reasons why workers can decide to quit a company.

LITERATURE REVIEW

Malcolm John Beynon, et al. (2016) has conducted a study on training alternative attitudes and its impact on employee retention. Employee retention is a vital issue in small and medium

enterprises which significantly influence its performance and growth potential. The findings revealed the significant association between the provision of training and employee retention which is most strongly found in certain training alternatives. While considering loyalty of the employees, experiential learning and training programs through government programs had a strong impact on employee loyalty. Thus, greater value is provided to such kinds of training programs than the others kinds like distance learning, off the job training, etc which hold a less benefit. The study concludes that there was no association between the need of training and employees quitting their jobs rather there was a strong association between experiential learning and distance learning with employees leaving their jobs.

Mengjun Chen (2014) stated that training is very important to any organization and its performance. Training is considered as a significant strategy for the organization to retain its employees and to increase the human capital growth. But, there are no much investments made in training programs by the organizations as the employers feel that it is huge risk to invest in training. This research study is built upon the psychological contract theory and human capital theory to describe the effect of training on the retention of employees. The psychological contract theory clearly explains the link between the training and based on the social exchange hypothesis, describes how training affects employee retention. When employees are involved in training it increases their commitment level by making them to feel that it their obligation to reciprocate the employers for their contribution. Thus, this makes them to remain longer in the organizations after attaining the training. Training makes the employees to feel that the organization is more concerned on the employees and also develops a trust on their employers. Thus, training is significantly related to trust in employer and reduces the retention level of employees. When this psychological contract is broken, the employees tend to leave the organization.

Khawaja Jehanzeb et al. (2013) has stated that organizations consider their employees as the asset of the organization and thus try to develop trust and loyalty practices which bring high level of commitment in them. The employees feeling that the organization is very much concerned and caring on them is very important for any organization. This kind of feeling leads to the growth and success of the organization and hence organizations try to inculcate the same through various means and practices. It is very difficult for any organization to satisfy all their employees by providing career growth through internal promotions but they can focus upon the training and development activities of all employees through which the career growth is attained. Such training programs and development activities increase the value and worth of the employees and enhance their efficiency to both their own and the organization's development are facilitated. The advantages of training for both people and companies were the main emphasis of this research. The study's findings revealed that individual benefits like increase in efficiency and employee performance. The results also revealed the benefits of training to the organizations like increased organizational performance like profitability, efficiency and output.

Lorri Greifeld (2013) has stated that many companies are worried about the amount of money and time spent on their employees to enhance their skills as the employees after acquiring the new skills tend to move to another job. However, employee retention can be achieved through employee training when it adds value to the employees. It also helps to enhance the psyches of the employees when a well designed training programme is executed. Training allows the employees to learn new skills which they can grow and feel good about their work what they are doing. Adequate and appropriate training will increase a sense of self worth among the employees as they become valuable to the organization. Training also helps the organizations to achieve its goals through increased productivity, reduced turnover of the employees and reduction in supervision.

Waleed Hassan, et.al (2013) have conducted a study on training and retention of employees which revealed that the most important factor for retraining employees was found to be the job training. The major focus of the study was on training, training types and training duration. The study also includes the intervening variables namely reward and supervisory support. A sample of 100 employees from Telenor, telecommunication sector was included while studying. The findings of the research showed a high correlation between employee retention and job training. Gender-based analysis showed that both men and women were enthusiastic about taking part in training programs. Regardless of gender, the respondents' top demands were determined to be compensation and supervisory assistance.

METHODOLOGY

RESEARCH DESIGN

Simply said, a research design is the framework for a study's strategy, considering data collecting and analysis. The purpose of the study design is to make sure that the necessary data are efficiently and precisely gathered. Because the purpose of this study is to describe the degree of career development programme and retention, a descriptive research approach was used.

RESULTS

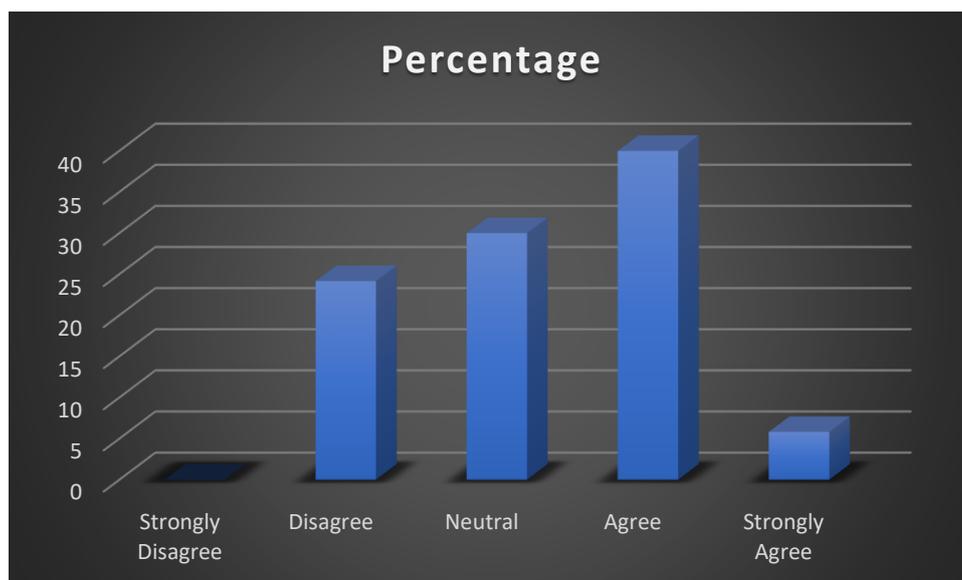
EXISTING STATUS OF EMPLOYEE RETENTION POLICIES AT ORGANIZATIONS

Statement 1 Our company has the sound policy of employee retention

40% of respondents (N=48) said that their organization had a good staff retention policy, and 5.83% of respondents (N=7) expressed strong agreement with this claim. While 24.17% of respondents (N=29) disagree with the statement, 30% of respondents (N=36) do not have a firm view on the matter. It may be inferred that respondents are neither in agreement with nor opposed to this topic based on the average score (3.28) which projected a neutral view with the statement.

Table 4.1: Employee Retention - Statement 1

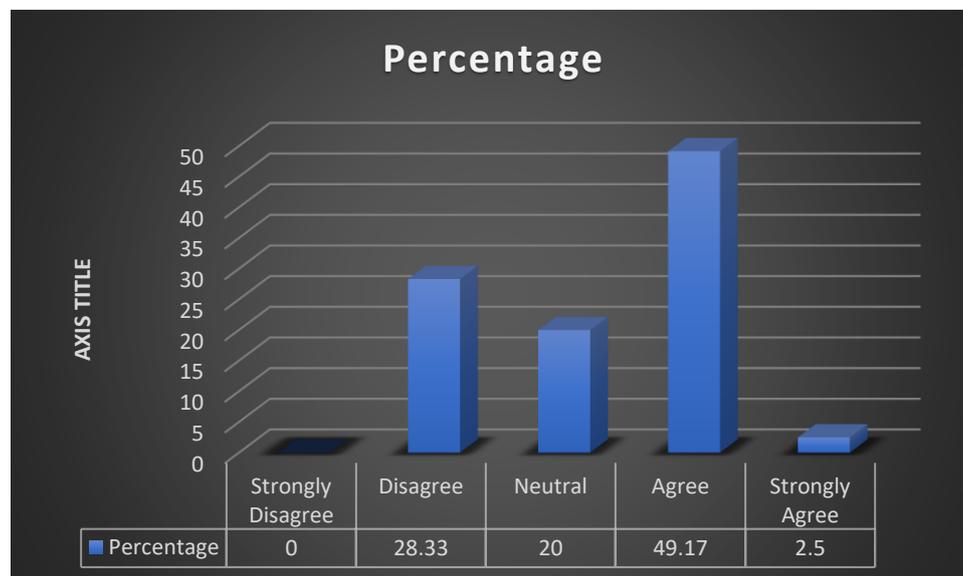
Response	N	Percentage
Strongly Disagree	0	0.00
Disagree	29	24.17
Neutral	36	30.00
Agree	48	40.00
Strongly Agree	7	5.83
Total	120	100
Mean Score	3.28	
Level	Neutral	

**Figure 4.1 Employee Retention - Statement 1****Statement 2 Our company is having the process of rehiring of employees**

Are you aware that your employer is in the process of rehiring employees? was asked of respondents, and the responses are shown in table 4.2. The average score got was 3.26, indicating that respondents' opinions on this matter are unclear.

Table 4.2 Employee Retention - Statement 2

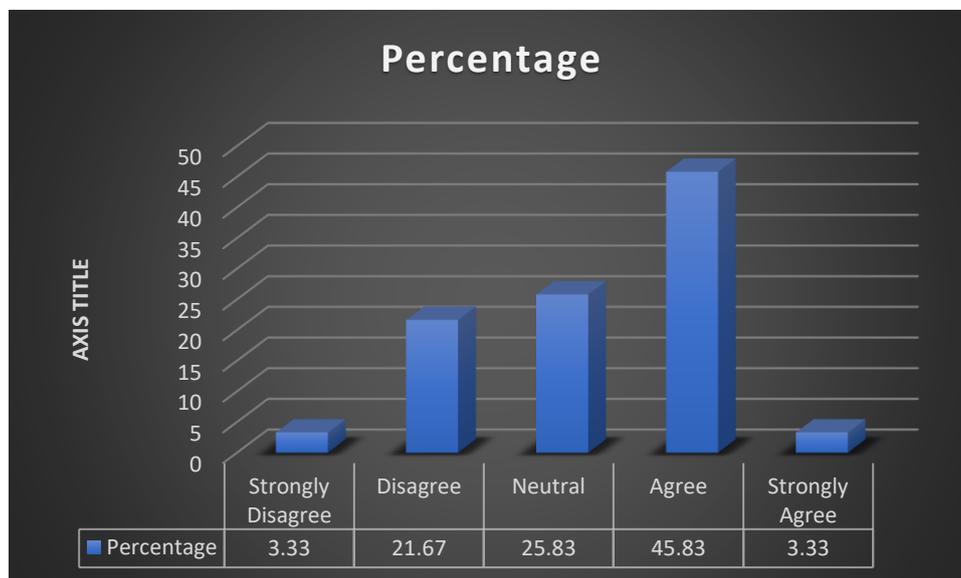
Response	N	Percentage
Strongly Disagree	0	0.00
Disagree	34	28.33
Neutral	24	20.00
Agree	59	49.17
Strongly Agree	3	2.50
Total	120	100
Mean Score	3.26	
Level	Neutral	

**Figure 4.2 Employee Retention - Statement 2****Statement 3 Our managers are shouldering responsibility of reducing turnover**

According to 45.83% of respondents (N=55), their managers are responsible for lowering turnover, and 3.33% of respondents (N=4) strongly agree with this statement. Out of the remaining respondents, 25% (N=30) disagree with this assertion, while 25.83% (N=31) are ambivalent about it. The average score of 3.24 indicates that respondents were neither in agreement with the statement nor in disagreement with it.

Table 4.3 Employee Retention - Statement 3

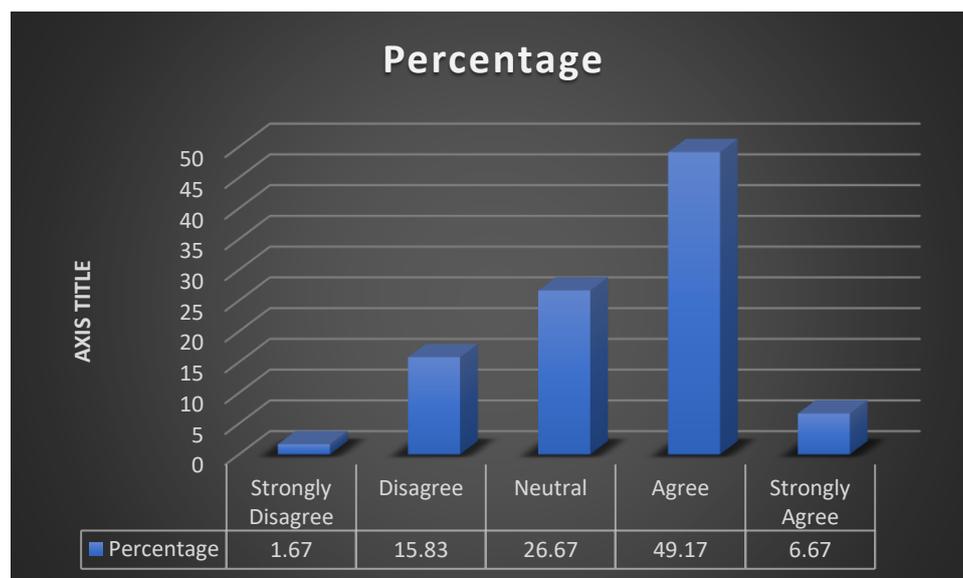
Response	N	Percentage
Strongly Disagree	4	3.33
Disagree	26	21.67
Neutral	31	25.83
Agree	55	45.83
Strongly Agree	4	3.33
Total	120	100
Mean Score	3.24	
Level	Neutral	

**Figure 4.3 Employee Retention - Statement 3****Statement 4 Our managers are interested in assessing the internal customer satisfaction**

Most participants (N=67, %=55.84) concurred that their supervisors are motivated to gauge internal customer satisfaction. Approximately 27% of respondents have an unfavorable impression of this information, while 17% believe it to be untrue. Overall average score (3.43) indicates that people agree with this statement.

Table 4.4 Employee Retention - Statement 4

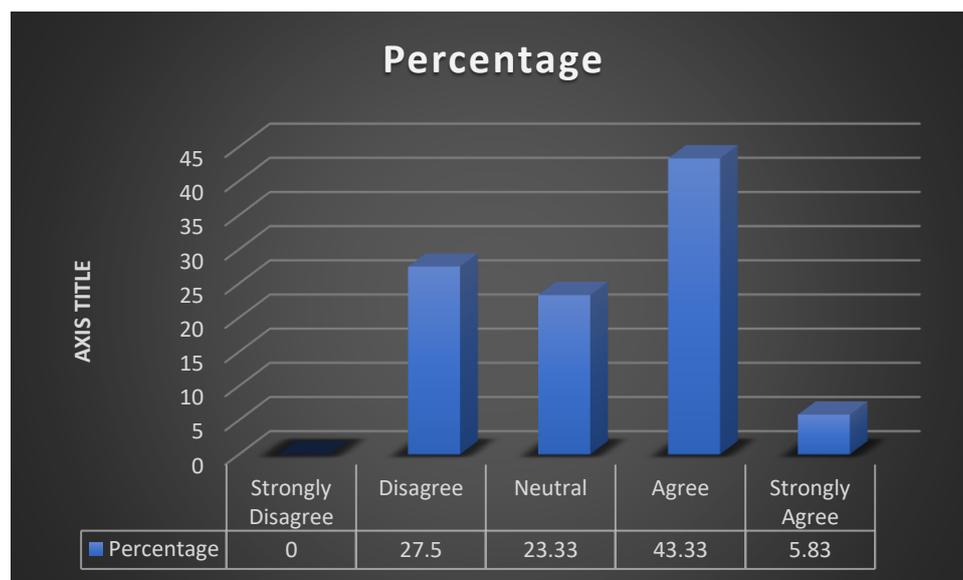
Response	N	Percentage
Strongly Disagree	2	1.67
Disagree	19	15.83
Neutral	32	26.67
Agree	59	49.17
Strongly Agree	8	6.67
Total	120	100
Mean Score	3.43	
Level	Agree	

**Figure 4.4 Employee Retention - Statement 4****Statement 5 Our company is having internal rational promotion policy**

When asked whether their organization has an internal logical promotion policy, respondents provided a neutral answer (mean score: 3.28). In general, 27.50% of respondents (N=33) disagreed with this statement, while 49% of respondents agreed with it.

Table 4.5 Employee Retention - Statement 5

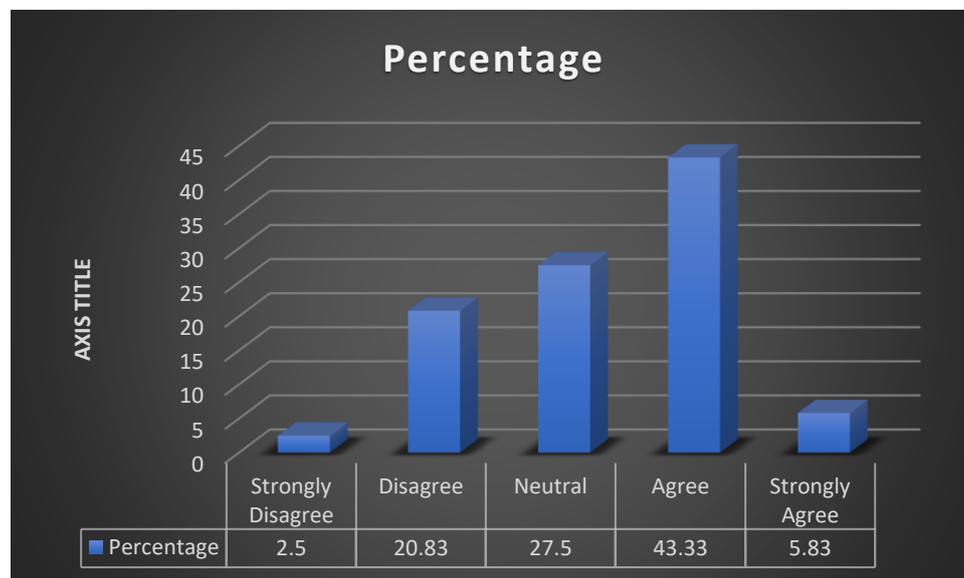
Response	N	Percentage
Strongly Disagree	0	0.00
Disagree	33	27.50
Neutral	28	23.33
Agree	52	43.33
Strongly Agree	7	5.83
Total	120	100
Mean Score	3.28	
Level	Neutral	

**Figure 4.5 Employee Retention - Statement 5****Statement 6 Our company is having ongoing assessment of employees**

While 5.83% of respondents (N=7) shown high agreement with this statement, 43.33% of respondents (N=52) stated that their organization conducts continuing employee evaluations. In other words, neither agreeing nor disagreeing with this argument, 27.50% of respondents presented a neutral attitude. The median result, 3.29, indicates that there is neither agreement nor disagreement.

Table 4.6 Statement 6

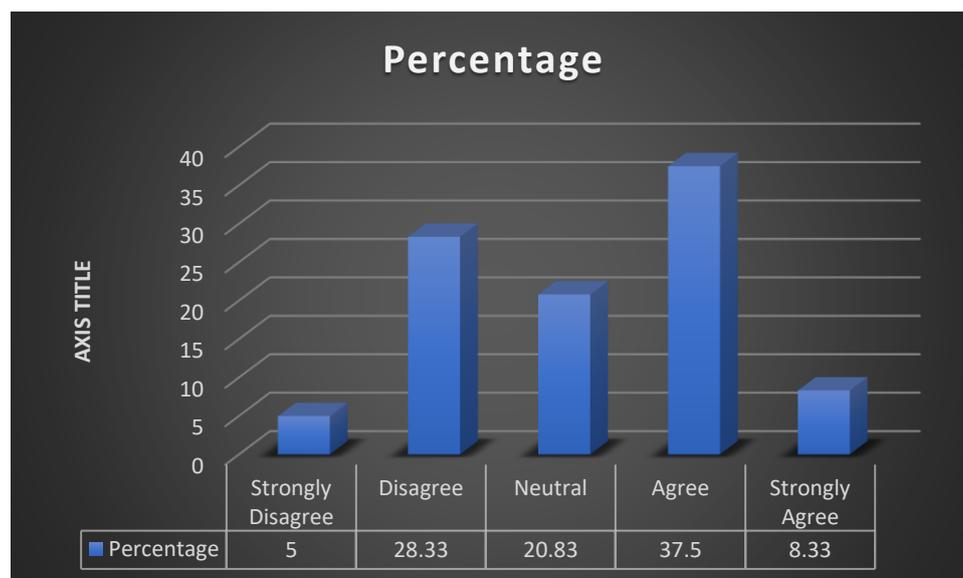
Response	N	Percentage
Strongly Disagree	3	2.50
Disagree	25	20.83
Neutral	33	27.50
Agree	52	43.33
Strongly Agree	7	5.83
Total	120	100
Mean Score	3.29	
Level	Neutral	

**Figure 4.6 Employee Retention - Statement 6****Statement 7 Our company conducts exit interviews**

8.33% of respondents (N=10) strongly agreed with the assertion that their employer conducts departure interviews, which was made by 37.50% of respondents (N=45). While 33.33% of respondents (N=40) disagree with the statement, 20.83% of respondents (N=25) did not have a clear view on the matter. The respondents' opinions were estimated to be neutral by the average score of 3.16.

Table 4.7 Employee Retention - Statement 7

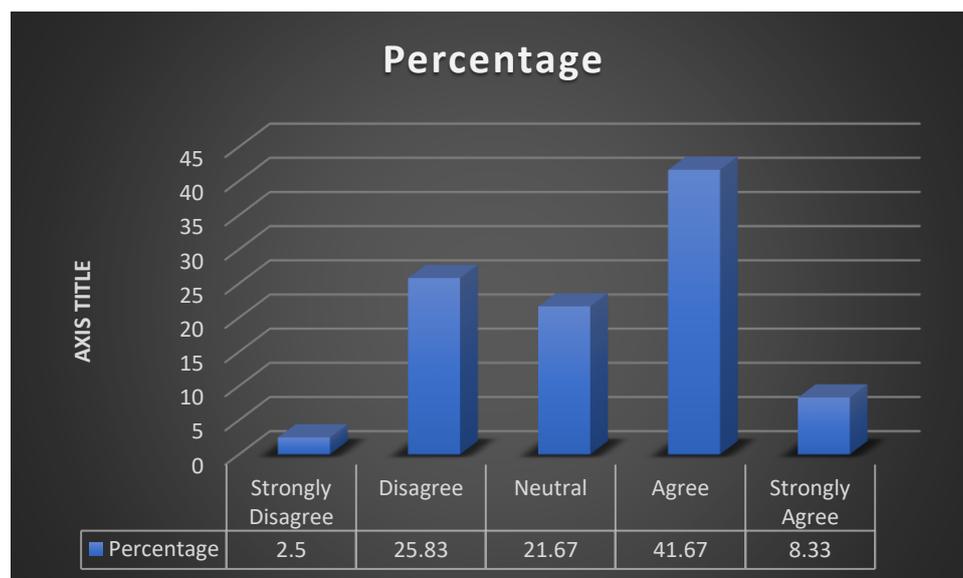
Response	N	Percentage
Strongly Disagree	6	5.00
Disagree	34	28.33
Neutral	25	20.83
Agree	45	37.50
Strongly Agree	10	8.33
Total	120	100
Mean Score	3.16	
Level	Neutral	

**Figure 4.7 Employee Retention - Statement 7****Statement 8 Our company implements the suggestions given by exit interviews**

The findings of the question on whether respondents' companies use the advice from exit interviews are shown in table 4.8. The average score obtained was 3.28, indicating that neither agreeing nor disagreeing responses were given.

Table 4.8: Employee Retention - Statement 8

Response	N	Percentage
Strongly Disagree	3	2.50
Disagree	31	25.83
Neutral	26	21.67
Agree	50	41.67
Strongly Agree	10	8.33
Total	120	100
Mean Score	3.28	
Level	Neutral	

**Figure 4.9 Employee Retention - Statement 8**

CONCLUSION

The conclusion of the study is:

1. the organisational structure is just one of several variables that affect career development initiatives.
2. human resources practises in any company with a career development programme are the single most important component.
3. Among the many aspects of the professional growth plan, delegating is the least common.

4. The organisation should prioritise these tasks if it wants to cultivate a dedicated and loyal workforce.
5. Only by catering to their employees' goals and requirements through career advancement opportunities will businesses be able to increase employee happiness and motivation.

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