

Employee Retention Management: A Study in Tirupur Garment Industries

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Abstract— The Current Scenario in the Textile industries are facing the most important problem like Employee Absenteeism. Human resources are the life-blood of any organization. With all round development in each and every area of the economy, there is stiff competition in the market. With this development and competition, there are lots and lots of avenues and opportunities available in the hands of the human resources. Employees are the most valuable assets of an organization. Their significance to organizations calls for not only the need to attract the best talents but also the necessity to retain them for a long term. This paper focuses on reviewing the findings of previous studies conducted by various researchers with the aim to identify determinants factors of employee retention. This research closely looked at the following broad factors development opportunities, compensation, work-life balance, management/leadership, work environment, social support, autonomy, training and development. The study reached the conclusion that further investigations need to be conducted regarding employee retention to better comprehend this complex field of human resource management. From this study the researcher had analyzed the solution for Absenteeism and the researcher gave suggestions to retain the employee in the organization.

Keywords— Employee, Study, Garment

I. INTRODUCTION

- 1) The term “employee retention” first began to appear with regularity on the business scene in the 1970s and early '1980s. Until then, during the early and mid-1900s, the essence of the relationship between employer and employee had been (by and large) a statement of the status quo: You come work for me, do a good job, and, so long as economic conditions allow, I will continue to employ you. It was not unusual for people who entered the job market as late as the 1950s and 1960s to remain with one employer for a very long time—sometimes for the duration of their working life. If they changed jobs, it was usually a major career and life decision, and someone who made many and frequent job changes was seen as somewhat out of the ordinary. As a natural result of this “status quo” employer-employee relationship, an employee leaving his or her job voluntarily was seen as an aberration, something that shouldn't really have happened. After all, the essence of “status quo” is just that little or nothing should change in the relationship.
- 2) Gone are the days when the entrepreneurs were the only important stakeholder in the business organizations. Now there has been a shift from entrepreneur to people as the most important part of any organization that believes or longs for sustainable growth in the organization. People have become a very important

stakeholder in any organization. But as the benefits takes precedence over loyalty and professionalism creeps into the organizations and it becomes unyielding task to retain talented people in the organizations. Evolution is a continuous process. Organizations are also systems and every system evolves with time. Organizations do not operate in vacuum. Organizations are integral part of markets which are also larger systems; ergo they are also subject to evolution. Organizations are evolving and so as the markets are evolving. Earlier we were sellers' market but now we are a buyers' market. Earlier business organizations did not bother much about what is being made, whether its price is correct or not and whether it is value for money to the buyers or not. But situations have evolved and changed drastically by now (It is our meticulous attempt to equate evolution with change). Competition has also taken its root in full swing and it is the customers who are ruling the roost now. This could be a point of debate whether competition does more good or harm but one thing is for sure that it mounts unsurpassable pressure on organization to bring efficiency in everything the organization does. Moreover, who proactively does this corrective exercise, gets the first movers advantage and this brings an addition edge to the organization over its competitors. Otherwise it hardly takes a short span of time for an organization to come to cropper from a commanding position. This pressing need to bring efficiency in all the things which an organization does, also force organization to introduce many a new things. Human Resources Management is one such thing. Before such time organizations did not have much time to look towards such important factor of production so seriously. Gradually the organizations are coming to terms with this fact that ultimately it is its people who make all the difference in the value creation in or for the organization in long run. Rising contribution and importance of services sector in the India's GDP has merely facilitated and endorsed this fact. These new economy organizations who are our new bellwether for economic growth and development have taken note of this fact at the earliest that without concentrating upon people they can't remain in business for long.

- 3) In other words it can also be said that they were left with no other option but to look forward towards the people in the organizations. Because these new economy organizations are operating in such an environment where capital stock has been relegated to second rung over human capital who have acquired the top most priority. Even the traditional economy organizations are also no longer untouched from such a situations. As our economy has come out of clutches of bureaucracy and red-tapism ,the cut-throat competition

is new order of the day. The traditional organizations are also feeling the heat. Though, it is the new economy organizations that are bearing the maximum burnt in terms of high attrition rate, the traditional economy organization are also gradually coming to terms with the problem of relatively rising attrition rate. The situations gets further exacerbated owing to this fact that the most talented people are the first who leave the organizations. The less talented and less productive people either prefers to stay in the organizations or they are last to alight the ship. Knowing the problem is the first step in curing the disease. At this point it becomes germane to take into consideration the causes of attrition in the business organizations.

II. OBJECTIVES OF THE STUDY

A. Primary Objectives

To study employee retention management with special reference to Tirupur Garment Industries.

B. Secondary Objectives

- To know the benefits provided by the management to retaining their employees.
- To know the facilities provided by the company to retain their employees.
- To identify the importance of retention management strategies of the companies.
- To know an action plan used by the management to enhance retention in the organization.

III. NEED FOR STUDY

Employee Retention refers to the techniques employed by the management to help the employees stay with the organization for a longer period of time. Employee retention strategies go a long way in motivating the employees so that they stick to the organization for the maximum time and contribute effectively. Sincere efforts must be taken to ensure growth and learning for the employees in their current assignments and for them to enjoy their work.

Employee retention has become a major concern for corporate in the current scenario. Individuals once being trained have a tendency to move to other organizations for better prospects. Lucrative salary, comfortable timings, better ambience, growth prospects are some of the factors which prompt an employee to look for a change. Whenever a talented employee expresses his willingness to move on, it is the responsibility of the management and the human resource team to intervene immediately and find out the exact reasons leading to the decision.

- An organization invests time and money in grooming an individual and make him ready to work and understand the corporate culture: A new join is completely raw and the management really has to work hard to train him for his overall development. It is a complete wastage of time and money when an individual leaves an organization all of a sudden.
- When an individual resigns from his present organization, it is more likely that he would join the competitors: In such cases, employees tend to take all the strategies, policies from the current organization to

the new one. Individuals take all the important data, information and statistics to their new organization and in some cases even leak the secrets of the previous organization. To avoid such cases, it is essential that the new join is made to sign a document which stops him from passing on any information even if he leaves the organization. Strict policy should be made which prevents the employees to join the competitors. This is an effective way to retain the employees.

- The employees working for a longer period of time are more familiar with the company's policies, guidelines and thus they adjust better: They perform better than individuals who change jobs frequently. Employees who spend a considerable time in an organization know the organization in and out and thus are in a position to contribute effectively.
- Every individual needs time to adjust with others: One needs time to know his team members well, be friendly with them and eventually trust them. Organizations are always benefited when the employees are compatible with each other and discuss things among themselves to come out with something beneficial for all. When a new individual replaces an existing employee, adjustment problems crop up. Individuals find it really difficult to establish a comfort level with the other person. After striking a rapport with an existing employee, it is a challenge for the employees to adjust with someone new and most importantly trust him. It is a human tendency to compare a new joined with the previous employees and always find faults in him.
- It has been observed that individuals sticking to an organization for a longer span are more loyal towards the management and the organization: They enjoy all kinds of benefits from the organization and as a result are more attached to it. They hardly badmouth their organization and always think in favour of the management. For them the organization comes first and all other things later.
- It is essential for the organization to retain the valuable employees showing potential: Every organization needs hardworking and talented employees who can really come out with something creative and different. No organization can survive if all the top performers quit. It is essential for the organization to retain those employees who really work hard and are indispensable for the system.

IV. EMPLOYEE RETENTION

Worker maintenance is a vital continuous process in which the association holds the representatives for the most extreme timeframe or until the fruition of the task. It is a proceeding with business relationship. Today, associations discover that adjust of energy which has moved from the business to workers. Unnecessary turnover is an indication of crucial issues inside the organizations and it is vital to realize that how to hold representatives in the specific association. Today material industry is confronting couple of issues in regards to control supplies and major of all is the yarn costs. Yet, this is a reality that they don't give legitimate compensations and prizes to workers. Part of human asset rehearses is extremely significant in such

manner. Human asset practices must be material to the learning associations. Workers can be held and fulfilled inside those associations which continue discovering that how to keep their representative's fulfillment at most elevated amount. Aside from this, there is no legitimate work in the material business in the field of human asset administration, since top administration never understands the necessities and requests of their representatives. There are not very many material plants that are rehearsing the human asset administration in its fullest and they are getting most extreme advantages from it. To build up a superior comprehension of this issue, an examination has been done to know the advantages of the human asset hones utilized by these plants and to actualize them in different associations for positive outcomes. To keep workers and keep their fulfillment levels high, any association.

V. RESEARCH METHODOLOGY

Research Methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research systematically solves the research problem. It may be understood as a source of studying how researcher is done scientifically. In this study of the researcher studies various steps that are generally adopted in studying this research problem along with the logic being them. It is necessary for the researcher to know not only the research methods/techniques but also the methodology.

In this methodology the researcher discuss the objective selection of area, sample design, data tabulation and analysis tools used to analyzed data period of the study and the limitation of study.

A. Research Design

The research design used for the study is descriptive research design

1) Descriptive Research Design:

Descriptive research design is used to describe the state of affairs during the time of survey. The descriptive research is a rigid design and it gives the complete and accurate information about the study.

B. Sampling Design

1) Sampling Technique:

Non- probability sampling design (convenient sampling technique).

2) Sample Size:

Sample size is 150.

C. Data Collection

1) Primary Data:

The data were collected through structured questionnaire.

2) Secondary Data:

The secondary data were collected from official records and magazines.

3) Method of Data Collection:

The method adopted for data collection from supervisors was interview method by using interview schedules contains questions. In order to avoid the doubts and difficulties in understanding the questions the supervisors were interviewed personally. The data collected through interview method were only from supervisors. The researcher himself also met supervisors even during the time

of operation with the help of respective managers. The interview schedule was also pre- tested before starting the actual data collection.

D. Tools for Data Analysis

The collected data are tabulated and interpreted by using simple

1) Percentage Analysis:

$$\text{Percentage of respondents} = \frac{\text{Number of respondents}}{\text{Total respondents}} \times 100$$

2) Weighted Average (Likert Scaling Technique):

Under the weighted average inventory method, the cost of goods available for sale (beginning inventory plus net purchases) is divided by the number of units available for sale to obtain a weighted-average cost per unit. Ending inventory and cost of goods sold are then priced at this average cost.

$$\text{Formula} = \frac{ewx}{ew}$$

3) Chi-Square Method:

Chi-square test is an important non-parametric test. The analysis of dependent and independent variable.

$$\text{Formula} = \frac{(O_i - E_i)^2}{E_i}$$

Here

O_i - Observed Frequency

E_i - Expected Frequency

Df- Degree of Freedom

Significant Level-5%

VI. REVIEWS OF LITERATURE

VINAY K. SRIVASTAVA, SHAILESH RASTOGI(2008)¹

Loyalty is passé in the modern time and professionalism is the buzzword in the contemporary corporate world. The reasons of employee attrition are also changing. Now-a-days employee leaves an organization for many reasons. Some leave for growth, some leave for some family problems but majority of people switchover jobs due to only one reason that is DISSATISFACTION. Undoubtedly satisfaction and dissatisfaction sort of things have different meaning for different people but having majority of people satisfied is pretty germane for sustainable growth and high level of productivity in any organization. A threadbare analysis of attrition brings some major concerns like not having objectivity in job allocation, employee recognition and fairness in career advancements for consideration. They are also important causes of dissatisfaction for employees in organizations. This dissatisfaction finally gets a vent in the form of changing the job. This subjectivity in the issues of employee handling is the key for dissatisfaction. Management Control System is fully capable of bringing objectivity in the organization and managing this dissatisfaction which would finally be translated into high employee retention, and better productivity and better organizations.

ASHIQUE ALI(1997)² The debate of employee turnover, its predictors and antecedents and model building and testing in Western work settings has been very old, however, there have been repeated calls for its cross cultural implications. Developing countries especially Pakistan with

its unique socio-economic and religious culture face dearth of research studies on the subject. Present study aims to extend the understanding of specific role of organizational cultural values and the attitudes of supervisor/immediate boss on employee turnover and retention. Further, the proposed study will also assess the moderating role of individual differences, specifically, personality dimensions on employees' intentions to stay or quit. This study uses descriptive quantitative approach to answer the research questions. Study proposes that positive and implemented HR practices, conducive organizational culture and friendly attitudes of supervisor separately and collectively leave strong impact on personality dimensions of individual at workplace. Such positive and integrated organizational climate directly generates overall satisfaction, organizational commitment and OCB which virtually forces employees' stay in the organization and vice versa.

R. BARALI, S. BHARGAVA (1997)³ The effort to retain the best personnel begins with recruiting. Attracting and retaining the best people are not two different things, but are the same thing. Both require creating and maintaining a positive reputation, internally as well as externally. Employers must be honest with the recruit about the beliefs, expectations, organizational culture, demands, and opportunities within the organization. By representing the organization realistically, a department will attract those who will be content working within the culture. Denton follows this up by stating that, "the better the match between recruits and the organization the more likely you are to retain them." Lynn (1997) believes that you must take time during the hiring process to make wise decisions. The employer must be candid about the working conditions, responsibilities, opportunities and other details to reduce the chances of making hiring mistakes. Taylor and Cosenza (1997) strengthen this thought by noting that it is imperative that companies give prospective employees a true picture of the organization, if they hope to match the personality type with the climate and culture of the organization. The literature was clear in pointing out that if departments want to increase retention they must start with a solid recruiting process.

PAUL R. BERNTHAL, PH.D., AND RICHARD S. WELLINS, PH.D (2004)⁴ This article discusses the growing demands on leaders to play a primary role in engaging and keeping key performers. It describes two dilemmas faced by leaders and their organizations around the topic of staff-growing numbers of employees retiring and fewer, less educated workers available to fill the gap. Because of this situation, leaders need to look at handling staff in different ways, building better employee relationships, and understanding employee values. The author presents 10 leader competencies to help leaders with this challenge.

SARA L. SCHWARTZ, PH.D (2010)⁵ In the presence of competitive era it is enormous pressures for the corporate managements to bring down prices and improve the quality of services provided by banking sectors. This needed a strict compliance along with internal services quality regarding human resources management as many researchers are of the view that organizational profitability due to the potential employees and the management must put them in the center of development of all process to

enhance the sense of ownership and to retain the assets employees. Different researchers have described internal service quality in different way. Bridging retention and preserving the turnover rate under objective and business moulds is one of the dominant encountering issues braving enterprises now a day. From all manifestations, the issue will blend in future eventuality, even as economic caveat modulates in current scenario. Employee retention will extend to be consequential problem for most working categories in the first decade of the 21st century.

A. Inference

It is inferred from the above table that the calculated value of chi-square is greater than the table value.

Hence the null hypothesis is rejected so there is a signification relationship between age and salary.

1) Findings:

- The mean score is 2.68. The factors such as compensation, insurance, fringe benefit, loan facility score above 2.68. Such as 2.75, 2.82, 2.95, 2.90 respectively. Hence these factors are highly dissatisfied by the respondent. The factors such as salary, bonus, incentives, e.s.i, p.f, below 2.68 such as 1.91, 2.45, 2.56, 2.15, 2.65 respectively therefore these factors are dissatisfied by respondent.
- The mean score is 2.63. The factors such as job security, Problems, feelings and emotions can be freely express by the employee to the management, Inter personal relationship with superiors and colleague score above 2.63. Such as 2.90, 3.04, 2.63 respectively. Hence these factors are highly dissatisfied by the respondent. The factors such Safety work environment, Availability of promotion opportunity, Opportunity for personal growth as below 2.63 such as 2.01, 2.57, 2.61 respectively therefore these factors are dissatisfied by respondent.
- There is a significant relationship between age and salary.

2) Suggestions:

- Since most of respondents are of the opinion that the canteen facility need be given a facelift, it is mandatory that due initiatives be taken on these areas in line with genuine expectations of the workforce,
- The management may think of introducing Workmen Participative Management concepts in the organization to have the principles of collective responsibility in Organizational decision making,
- Critical areas / Key persons are to be identified and they must taken care of suitably with a view to retaining them for the good of the organization,
- The existing Promotion Policy deserves are-look/review, which will go a long way in retaining the key personnel of the concern,
- The existing leave procedure needs a review, since most of the respondents feel some discomfort on this. It is suggested that a Leave Calendar may be evolved on annual basis, in consultation with supervisors and workmen,
- Taking into account the present competitive world, I think a kind of "Job insecurity" is always good for any

organization. It is good that it prevails in this organization.

- About 47% of the respondents are of the opinion that the working condition is not all that good.
- Self-acting systems may be introduced in the existing machineries to promote industrial safety in the organization.
- Exit interviews are to be conducted in real letter and spirit so that the bottle necks are adequately looked at to retain the HR assets.

VII. CONCLUSION

The benefits of retaining the critical employees include the ability of the company to achieve its strategic business objectives and to gain a competitive edge over its current and potential competitors.

An attempt is made to evaluate the Employee Retention Management of Malabar Cements Ltd. Walayar. The study reveals that there quite a few negative opinions among the respondents like inadequacy in canteen needs, and some of them want some more freedom in expression of freedom, their feelings, emotions or problems directly to the management without any restriction, and the nature of management is not more friendly and participative and so on.

But still there are quite a lot of positive opinions among the respondents like satisfactory working conditions, transportation facilities, competitive salary pattern, availability of medical benefits, accommodation facilities etc. Furthermore the management can arrange lot of other facilities that prevails in t similar industries to their employees in order to convert the negative factor into positive one, thereby paving way to retain their critical and best employees in the organization for a longer run.

Positive indication is that the organization should identify their critical employees; understand their needs with regards to career, family, education, and community; and be able to continuously meet the expectation and needs of them. Through such proactive efforts the organization can reduce the likelihood of losing the critical employees and retain the best ones for the good of the organization.

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