

Best Practices for Improve Employee Retention

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Abstract

The company is dealing with a challenging issue related to staff retention. The best strategies for raising employee retention in a company were the main topic of this study. Your best asset of the organization is Workforce. Managers need to realize that employee satisfaction has to be negotiated or there will be no people around with whose labour the salaries can be paid. Ascertain the reasons behind staff attrition and implement strategies to mitigate them. The purpose of this study is to illustrate the significance of employee retention in the contemporary workplace, the ramifications that arise when businesses fail to acknowledge this need and do not take immediate action to address it, what those consequences would be, and how they would impact the company and the sector. Employee dissatisfaction is a serious problem that raises the likelihood of employment shift in the service industry. It is advisable to take the viewpoint of the employees into account, even if companies are investing a significant amount of money in HR practices to lower turnover. The purpose of the study is to define particular goals: In order to comprehend the relationship between employers and employees, the study model includes independent components such as job security, quick promotions, travel allowances, and incentives for reaching targets. The research design used in the study was descriptive. 88 employees were included in the project's sample size. Questionnaires were used to gather data. Following the collection of questionnaire responses, the data was analyzed and converted into Excel tables and pie charts. After that, the data was analyzed to determine how recognition encourages participation, creativity and originality, consistency in performance, and communication. Employee retention will be significantly increased by organizational dedication, a positive work environment, and a disciplined approach that includes rewards and recognition for targets met. SPSS was used to present the data. Ultimately, conclusions were drawn from the analysis.

Introduction

Employers consciously endeavor to establish and maintain a work environment that encourages current employees to remain with the organization by following customized policies and procedures. We call this method employee retention. Employee retention is the percentage of your current workforce that sticks around for a long time. The technique of encouraging employees to stay with the organization until the task is completed, or as late as necessary, is

known as employee retention. The term “employee retention” describes strategies and procedures used by businesses to keep workers in their positions. By implementing processes and guidelines that address the diverse needs of their workers and proactively fostering a positive work environment, employers can effectively attain employee retention a setting that encourages present employees to continue working there. How to retain valuable employees is one of the biggest problems that companies in the competitive sector face. Construction organizations utilize several human resources methods in order to enhance employee retention. The ability of an organization to retain its personnel is referred to as employee retention.

Human resources is known as a technique that ensures business administrative support, and encourages the human resources working with a firm to be more energized about work. What HR is ultimately trying to achieve with employee retention is to foster both loyalty with the company and loyalty with the employees themselves. While making it easier for devoted employees to remain with the company for a much longer time, it benefits all stakeholders. The employee retention should aim to increase employee satisfaction by encouraging and motivating workers to remain with a company for extended periods of time. It entails listening to workers’ worries and, if necessary, assisting them in finding solutions. Businesses spend money and effort training new hires to be prepared for corporate work. If these workers leave after they are completely prepared. A business’s success depends on its ability to keep its employees. According to research, the majority of reasons why workers quit are lack of enthusiasm, inadequate pay, conflict, and frustration. To guarantee long-term success, management must work to keep significant and productive people on board.

Literature Review

Kryscynski (2021), researchers of strategy have long since focused on the crucial ramifications of firm-explicit human capital, but they have given firm-explicit worker incentives, its conceptual opposite, zero consideration. In light of this story, company-level incentives should also be flexible in terms of firm specificity. Moreover, firm-explicit incentives could help to make benefits that are not dependent on the firm specificity of human capital more clear.

M. R. Sudhamathi, Priya (2019),The term employee retention describes a policy that makes employees feel comfortable enough to stick around for the organization’s most important historical moment or until the project is finished.

A.A.Kumar and K. B. Mathimaran (2017).The most challenging problem facing organizations today is not just keeping these assets but also managing them. Any club must prioritize hiring and retaining qualified staff because of the knowledge.

Primary Objectives

- To analyse the best practices for improving employee retention in an organization.

Secondary Objectives

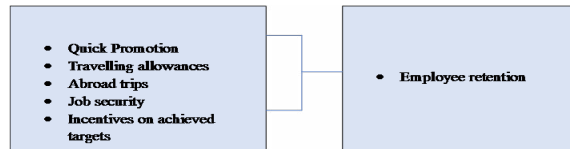
- To determine whether work-life balance and job security have an impact on employee retention.
- To find out the major factors affecting employee retention.
- To measure the correlation between job security and incentives on achieved targets.

Research Methodology

Research Design: This study is based on a descriptive research methodology and use a questionnaire as an instrument for research. To accomplish the goals of the research, information has been gathered from both primary sources and personnel within a company. The study’s quantitative research design aims to provide insight and comprehension into employee retention.

The study employed a multiple-choice questionnaire with responses ranging from strongly disagree to strongly agree. In order to evaluate the data, the percentage strategy was utilized.

Research Method



Sampling Method

Simple random sampling is a commonly used sampling method to analyse the employees retention in an organization. This method involves selecting a sample of employees randomly from all the Department who have working in the organization. Overall, simple random Sampling is an easy and affordable way for businesses to get input from a representative subset of their workforce.

Sample Size

The sample size must be sufficient to accurately reflect the study's genuine population in order for the results to be accurate. To determine the study's sample size, a number of formulas have been suggested by different writers. The formula provided below is used to calculate the sample size for this study, and the data gathered from the preliminary study is used to calculate the p, q, and e values needed for the investigation.

$$\text{Sample Size } (n) = \frac{(e^2 (N-1) + z^2 * p * q)}{(z^2 * p * q * N)}$$

Where,

Z is the 95% confidence level (standard value: 1.96).

p = sample-defective population

Q is equal to 1-p.

N is the total population.

e = Margin of Error

The study's sample size, as determined, is 88.

Statistical Tool: SPSS

SPSS is a software tool used by researchers and analysts in various fields, including market research, to analyze data and generate reports for informed decision-making. In after-sale services, it can be used to analyze customer satisfaction surveys, identify trends, and enhance service quality. Overall, SPSS is a powerful tool for after-sale service companies to improve their services.

Correlation

Correlation coefficients provide a numerical representation of the strength and direction of a linear relationship between two variables. The sign of the correlation coefficient indicates the direction of the association: when one variable rises, the other rises with it, but a negative correlation indicates that the other variable declines as the first rises.

Hypothesis

- **Null Hypothesis (H₀):** There is no relationship between job security and staff retention.
- **Alternative Hypothesis (H₁):** There is a relationship between job security and staff retention.

Correlations

		Quick Promotion	Job Security	Incentives on Achieved Targets
Quick Promotion	Pearson Correlation	1	.523**	.523**
	Sig. (2-tailed)		.000	.000
	N	88	88	88
Job Security	Pearson Correlation	.523**	1	.303**
	Sig. (2-tailed)	.000		.004
	N	88	88	88
Incentives on Achieved Targets	Pearson Correlation	.516**	.303**	1
	Sig. (2-tailed)	.000	.004	
	N	88	88	88

Correlation is significant at the 0.01 level (2-tailed).

Inference

Employee retention and job security are positively correlated. At the 0.01 level, the correlation coefficient of 0.523 between job security and employee retention is statistically significant. This suggests that there is a positive correlation between job security and staff retention. According to this, workers who are happy in their positions are more likely to stick with the company. This might be the result of things like feeling appreciated, having a steady job, and having faith in their ability to stay with the company.

Regression

Linear regression is the next step up from correlation. It is used when we want to predict a variable's value by utilizing another variable's value. We want to predict the dependent variable, which is also referred to as the outcome variable on occasion. We forecast the value of the other variable using the independent variable, which is also sometimes called the predictor variable.

Hypothesis

- **Null Hypothesis (H₀):** There is no relationship between incentives for reaching goals and staff retention.
- **Alternate Hypothesis (H₁):** There is a relationship between incentives for meeting goals and staff retention.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.128a	.016	-.019	.74541
a. Predictors: (Constant), Incentives on achieved Targets, Job Security, Quick Promotion				

Anova						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.781	3	.260	.468	.705b
	Residual	46.674	84	.556		
	Total	47.455	87			
a. Dependent Variable: Employee Retention						
b. Predictors: (Constant), Incentives on Achieved Targets, Job Security, Quick Promotion						

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.461	.315	.065	4.643	.000
	Quick Promotion	.033	.071	.090	.462	.645
	Job Security	.045	.064	-.020	.707	.481
	Incentives on Achieved Targets	-.009	.054		-.159	.874
a. Dependent Variable: Employee Retention						

Inference

Employee retention and rewards for reaching goals do not significantly correlate. With a p-value of 0.874, the incentive-achieved target coefficient is -0.009, significantly higher than the usual significance level of 0.05. This indicates that there may not be a statistically meaningful correlation between staff retention and incentives for reaching goals. This investigation suggests that offering rewards based on met goals does not seem to have a significant effect on staff retention. This may suggest that, even though rewards could spur workers to meet goals, they might not have a big impact on whether they ultimately decide to stay with the organization.

Discussion

In order to increase employee retention in a construction company, a variety of tactics are used, including:

- **Competitive Compensation:** To draw and keep talented employees, provide competitive pay and benefits.
- **Professional Development:** Offer chances for internal training, skill enhancement, and professional progression. Encourage a climate of mutual respect, cooperation, and appreciation for the efforts made by all staff members.
- **Safety Measures:** Give careful training, appropriate gear, and strict attention to safety procedures top priority when it comes to employee safety.
- **Work-Life Balance:** Encourage work-life balance by providing policies for time off and flexible scheduling.
- **Communication:** Keep lines of communication open to address issues, solicit input, and update staff members on corporate news.
- **Employee Engagement:** Consult with staff members, acknowledge their accomplishments, and include them in decision-making processes.

- **Acknowledgment and Incentives:** Give staff credit for their dedication and successes obtained from grants, bonuses, or other incentives.
- **Ongoing Enhancement:** To consistently enhance the work environment, ask staff members for their opinions on a regular basis and act upon their recommendations.

Conclusion

The results of this study demonstrate the growing significance of employee retention within organizations. The positive relationship found between job security and retention indicates that organizations can improve retention by giving priority to measures that support job security, such as providing stable employment, clear career paths, and supportive work environments. While incentives can be useful in motivating employees, they should be combined with more comprehensive strategies that aim to increase employee satisfaction, engagement, and commitment in order to improve overall retention rates. Ultimately, organizations can reap the benefits of investing in initiatives that not only promote employee retention but also address broader factors that contribute to employee satisfaction and loyalty putting in place employee retention methods and offering a range of welfare benefits. In spite of this, the study attempted to cover every facet of staff retention.

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