A STUDY ON EMPLOYEE ATTRITION AND RETENTION IN CORPORATE SECTOR

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*ABSTRACT***:**

Attrition is a critical issue in corporate sectors these days. "Attrition is said to be the gradual reduction in the number of employees through retirement, resignation or death. It can also be said as Employee Turnover or Employee Defection". So, the organization loses key players, knowledge and business bondings. Managers and personnel administrators are greatly interested in reducing Attrition in the organization, in such a way that it will contribute to the maximum effectiveness, growth, and progress of any sector.

Retaining employees ongoing effort in any organization. One of the biggest factor is having managers in the right place who understands their responsibility to create and maintain a good working environment. Employees requires defined direction and recognition to uplift themselves and remain satisfied in their positions. Managers must recognize and understand in establishing fundamentals that demonstrates their objectives or goals to support and motivate their employees.

The main objective of the study is to know why attrition occurs, to identify the factors which make employees unencouraged and a feeling of disfactory, to know the expectation and dedication level of employees towards their job and working conditions and to find the lagging of IT SECTORS at ITPL BANGALORE , KARNATAKA

Keyword: Attrition, Retention, Managers, organization

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Corporate companies in India face a formidable challenge of recruiting and retaining talent employees and at the same time having to manage employee loss through attrition be that due to company downturns or by voluntary individual turnover. Losing talents and employees result in performance losses which can have long term negative effect on companies especially if the departing talent leaves gaps in its execution capability and human resource functioning which not only includes lost productivity but also possibly loss of work team

harmony and social well-being. Attrition rates being a bane of every sector, companies are planning innovative business methods for effective retention of employees. There are a lot of factors responsible for attrition and employers are getting increasingly conscious of the factors that can keep an employee committed. Attrition may be defined as gradual reduction of personnel as through retirement, resignation or death. This also includes both voluntary and involuntary separation. Attrition rates vary from sector to sector. Apart from the unavoidable ones like resignation, retirement, death or disability, the causes are found to be due to many other factors. They vary according to the nature of business, the level of the employees and the nature of the responsibility

assigned to them. The main reasons are the 'ergonomic discomfort' experienced by the employee and the 'functional incompatibility' between the corporate management and the employees. Very often it's found that an employee finds difficult to cope up with his colleagues and his project managers. Due to which he finds difficult to meet the employees requirements and employer's expectations. Another important reason is that the employee's remuneration is not voluminous enough to bear the brunt and cushion the concussions of his family and social life. Employee retention defines the policies and practices that the companies use to prevent valuable employees from leaving their company. How to retain valuable employees is one of the biggest problem that the companies in the competitive market face. Nowadays, companies often spend considerable time, effort, and money to train an employee according to their requirements and needs. Employees need to be retained because good, faithful, trained and hardworking employees are required to achieve companies goals and milestones within the specified time. Employee's good product knowledge over the long run can handle customers better and also solve problems that are related within the team or organization. When an employee leaves the company there are possibilities that he takes away all information related to ongoing projects, etc. Due to more employee turnover rate the pleasant working environment of the company is hampered and the competitors attempt to recruit best talents or prompt working employees from them. Working efficiency of the employee is also disturbed. Let's consider an example – If an employee leaves in the middle of an ongoing project it becomes very difficult for the company to fill that gap and a new employee can never replace an old and talented employee so this leads to delay in completion of projects and less work satisfaction among the team members.

ABOUT ITPL OF BANGALORE

Whitefield, Bangalore, 18 km from the city centre. It is managed by Ascendas. It includes the 450,000 square foot Park Square Mall, several sporting arenas and the Vivanta by Taj hotel. It is the oldest tech park of Bengaluru. It is located in Whitefield cluster. It was created as a result of a joint venture between India and Singapore in January 1994. It is a large facility, comprising 9 buildings—*Discoverer*, *Innovator*, *Creator*, *Explorer*, *Inventor*, *Navigator*, *Voyager* and *Aviator* plus a building belonging to TCS which is called *Pioneer*. The tenth building which is under construction will be called "Victor". This park provides campus facilities for multi-national giants like Mu Sigma, Xerox, iGATE, IBM, GE, Airtel, Vodafone, Moving Picture Company, TCS, Unisys, Delphi, Huawei, Oracle, Perot Systems, First American (India) and other medium and small sized companies. Outside ITPB, numerous companies have come up like Dell, Tesco, Shell, Aviva, GM, Schneider Electric, Sapient, Goodrich / UTC aerospace and DaimlerChrysler, Symphony Teleca Corp and

Tangoe are also located in Whitefield. Flowserve, a 100% subsidiary of Flowserve Corp (NYSE:FLS) also has a Manufacturing Plant and R&D center located in EPIP area.

Need for the Study

The success of any MNC depends largely on the employees, as they are considered as the backbone of any sector. This study aim at projecting the attitude level of employee's, the dissatisfaction they face in an organization and the reason behind they prefer to change their job. Once the levels of employee's attitude are identified, it becomes easy for the management to take necessary steps to reduce attrition level. Since employees are the backbone of the company, their contribution will result in the success of the company during the long run. This study may be helpful in identifying, why employees prefer to change their job and the factors that dissatisfy any employee during the long run. It becomes important for any organization to look into the interest and dreams or goals of the employees towards job. This study may be helpful for the management to improve on their strengths and weaknesses by the suggestions and recommendations mentioned in the project.

Statement of problem

The aim of the report is to study various factors like salary, superior – subordinate relationship, growth opportunities, facilities, policies and procedures, recognition, appreciation, suggestions, co- workers by which it helps to know the Attrition level in the organizations and factors relating to retain them. This study also helps know where the organizations are lagging in retaining the employees.

Objectives
To know the expectation level of employees towards their job and working environment

- To identify the medium which make employees dissatisfy about company's policy and regulations.

- To find the areas where companies are lagging behind.

Analysis
The statistical tools used for the analysis of data are tables with percentages, Analysis of Variance (ANOVA) using SPSS package.

Scope of the study
The scope of this study is confined to MNC's manufacturing industries in small scale industries category located at ITPL Bangalore, Karnataka. The study focuses on valuable suggestion to decrease attrition level in the organization. This

study can help the management to improve on the weaker parts of the employee towards the organization and also helps in converting those weaker part in to stronger by providing the optimum suggestions or solutions. This study has a wider for scope in any kind of organization since "attrition" is general one and makes the employees to put forth their practical difficulties and need factors in the organization. This study can help the management to know for which the reason employees tend to change their job, through dissatisfaction factors faced in the organization and also helps to recover by providing the optimum suggestions or solutions.

RESULTS

1. Employee's opinion about Salary

A salary is a form of remuneration paid periodically by an employer to an employee, the amount and frequency of which may be specified in an employment contract. The following table shows the employee's opinion about salary in various attributes.

OPINION ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
My Salary when compared with Competitor company	(17) 17%	(35) 35%	(30) 30%	(18) 18%	(2) 2%	(100) 100%
Performance Bonus given to me by the company	(44) 44%	(19) 19%	(23) 23%	(10) 10%	(4) 4%	(100) 100%
Standard of Increment in the company	(28) 28%	(25) 25%	(28) 28%	(19) 19%	(0) 0%	(100) 100%
Satisfaction level in Salary & Increment	(43) 43	(22) 22%	(14) 14%	(21) 21%	(0) 0%	(100) 100%

2. Employee's opinion about Manager – Working Team Relationship

Manager and workers communication refers to how they work together to achieve personal and organizational goals. The following table shows the employee's opinion about managers - workers relationship in various attributes.

Table 2 Employee's opinion about Manager – Working Team Relationship

OPINION ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
The encouragement getting from supervisors to work as team	(15) 15%	(44) 44 %	21) 21 %	(12) 12%	(8) 8 %	(100) 100%

| The Supervisor's effort for job promotion | (31)
31 % | (22)
22 % | (18)
18% | (29)
29% | (0)
0% | (100)
100% |

3. Employee's opinion about their Goal and Growth Opportunities

An employee's perception of internal opportunities for growth and development is one of the more important predictors of employee engagement. Understanding this, there were disappointed to discover, through our latest research, that the employee perception of internal opportunities is the lowest it has ever been. The following table shows the employee's opinion about growth opportunities in various attributes

Table 3 Employee's opinion about their Goal and Growth Opportunities

OPINION ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
Opportunities provided by the company	(47) 47 %	(23) 23 %	(15) 15 %	(12) 12%	(3) 3%	(100) 100%
Chances of getting promotion	(29) 29 %	(30) 30 %	(15) 15 %	(26) 26 %	(0) 0%	(100) 100%

4. Employee's opinion about basic Facilities and Environment

Facilities management is very important whatever type of organization is considered, the management of the pool and sports halls in a leisure center, including changing pool water, making sure that electricity and lighting is regularly maintained etc., the machinery and equipment in a manufacturing plant, the maintenance of the pitch, and stadium for a sports club - including regular checks on floodlights, health and safety equipment etc. The following table shows the employee's opinion about facilities in various attributes.

Table 4 Employee's opinion about Facilities and Environment

OPINION / ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
Benefit and welfare facilities provided by the company	(38) 38 %	(21) 21 %	(12) 12 %	(19) 19 %	(10) 10 %	(100) 100%
Satisfaction getting with the physical working condition	(35) 35%	(33) 33 %	(11) 11 %	(11) 11%	(10) 10 %	(100) 100%

5. Employee's opinion about company Policies, Rules and Procedures

A policy is a principle or rule to guide decisions and achieve rational outcomes. A policy is a statement of intent, and is implemented as a procedure or protocol. Policies are generally adopted by the Board of or senior governance body within an organization whereas procedures or protocols would be developed and adopted by senior executive officers. The following table shows the employee's opinion about policies and procedures in various attributes.

Table 5 Employee's opinion about Policies, Rules and Procedures

OPINION / ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
Employee policies and procedures	(41) 41 %	(23) 23 %	(23) 23%	(5) 5 %	(8) 8 %	(100) 100%
Administration of employee policies	(40) 40 %	(24) 24 %	(25) 25 %	(11) 11%	(0) 0%	(100) 100%

6. Attrition based on above mentioned reviews

Attrition level describes the standard of the organization and the capacity of them to retain them. The following table shows the attrition level in Integra. The following table shows the employee's opinion about attrition level in Integra Software Service Private Limited.

Table 6 Attrition based on above mentioned reviews

OPINION / ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
Feeling of leaving the company	(28) 28 %	(6) 6 %	(15) 15 %	(28) 28 %	(23) 23 %	(100) 100%

7. Employee's perception about their Recognition

Employee Recognition is the timely, informal or formal acknowledgement of a person's or team's behavior, effort or business result that supports the organization's goals and values, and which has clearly been beyond normal expectations. The following table shows the employee's opinion about superior – subordinate relationship in various attributes. The following table shows the employee's opinion about recognition in various attributes.

Table 7 Employee's perception about their Recognition

OPINION / ATTRIBUTES	VERY HIGH	HIGH	MEDIUM	LOW	VERY LOW	Total
Recognition received abilities, efficiency and good work done	(33) 33 %	(17) 17 %	(36) 36 %	(14) 14%	(0) 0 %	(100) 100%
Cash award/salary increase/promotion getting for outstanding performance	(7) 7%	(22) 22 %	(49) 49 %	(16) 16 %	(6) 6 %	(100) 100%

Suggestions

- Many employees have suggested improvement in working environment and employee motivation in the survey. So the companies should give attention to the factors which it can improve itself internally.

- Even though the employees are satisfied with their nature of job, it is identified in the study that many employees prefer to change their job due to lack of growth opportunities in their job. So the companies can look for some innovative technologies to decrease their attrition level by providing growth opportunities.

- The companies should conduct regular meetings to know about what exactly employees expect.

Conclusions

The main aim of any organization is to earn profit. But to attain the goal, the organization should focus more on employees and the ways to retain them during long run. From the study it is noted that lack of growth opportunities and salary are the major factors which force employees to change their jobs. This study concludes that to reduce attrition corporate sectors should create some opportunities for the growth of their employees within the organization by adopting new Innovative Technologies, Effective training programs, providing intensives etc.

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