

Employees Retention Techniques: - Review of Literature

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ABSTRACT

The objective is to identify the critical factor which can affect employees retention with the help of literature review. For this paper I have reviewed 12 relevant research papers/ literature comprising employee retention & engagement concepts and practices apply. The findings of the study like good training & development, compensation structures, autonomy, quality of work life, work polices and arrangements will lead the managers and management to a new dimension with holistic approach in the field of employee retention.

KEYWORDS :- Employee Retention, HR Practices, Organizational Performance.

1. Introduction

The biggest challenge that organizations are facing today is not only managing human resources but also retaining them. Securing and retaining skilled employees plays an important role in any organization, because employees' knowledge and skills are central to companies' ability to be economically competitive. Effective employee retention is a systematic effort by employers to

create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs. Retention of key employees is critical to the long-term health and success of any organization. Employee retention matters as organizational issues such as training time and investment; lost knowledge; insecure employees and a costly candidate search are involved. Hence, failing to retain a key employee is a costly proposition for an organization. Various estimates suggest that losing a middle manager in most organizations' costs up to five times of his salary. The performance of employees is often linked directly to quality work, customer satisfaction, and increased product sales and even to the image of a company. Whereas the same is often indirectly linked to, satisfied colleagues and reporting staff, effective succession planning and deeply embedded organizational knowledge and learning.

1.1. Factors Affecting Employees Retention

- I. **Development Opportunities**
- II. **Compensation**
- III. **Work-Life Balance**
- IV. **Management/Leadership**
- V. **Work Environment**
- VI. **Social Support**
- VII. **Autonomy**
- VIII. **Training and Development**

IX. Job Advancement

2. Objectives of the study

The study is based on review of literature on Employees Retention techniques with following objectives

- I. To find out the various research works that have been done in the area of employee retention.
- II. To highlight the various factors which affect retention initiatives in an organization.
- III. To find out the major causes for the employee turnover.

3. METHODOLOGY

The study is descriptive in nature and only secondary data have been used in it. The secondary data consists of the books and various research journals. This present study used 12 research papers.

4. Review of Literature

1. **Zineldin, (2000)** has viewed retention as “*an obligation to continue to do business or exchange with a particular company on an ongoing basis*”.

2. **Dr G.BALAMURUGAN, (2016)** The study suggested that the employee retention has been quite challenge for IT-units and HRD should focus on Work pressure, Rewards and recognition retention strategies. Organizations have to provide their employees with the best career advancement and opportunities, supervisor support, working environment, work pressure, rewards, and recognition and should work on them.

3. **Kamal M.Y ,(2017)** in his study suggested that public higher education needs to utilize their best talent holistically in order to get the benefits for the university development. In the meantime, public higher education also needs to revise their scheme and program that relate with retain their employee in order to get the Job Satisfaction . According to the findings, it shows that the current practice on retaining talent still in moderate level which it gives a lot of opportunities to improve. Therefore, university as well as Ministry of Higher Education

must take progressive way to ensure their best talent is remain in the organization.

4. **Zhang Yanjuan, (2016)** The article attempted to make a summary on the employee turnover influence Factors and puts forward counter measures from personal factor, organization and work factor, social and economic factor .

5. **Modupe O. Oyetunde(2014),** The objective of the study was to explore the factors influencing recruitment and retention of nurses in Lagos State Hospitals. Increment in salary and allowances rated the best influence on recruitment and retention of nurses in Lagos State. Lack of nursing leadership , sense of job security and work environment were the major factors influencing recruitment and retention of nurses. There is need for adequate human resource planning; increased efforts and formulation of policies that will improve recruitment and retention of nurses in Lagos State of Nigeria.

6. **Dr. K. Balaji Mathimaran & Prof. Dr. A. Ananda Kumar, (2017)** the study tries to review the various available literature and research work on employee retention and the factors affecting employee retention and job satisfaction among the employees. The findings of the study suggested that certain variables are crucial in influencing the employees' decision to either leave or remain in an organization. Such variables include training and Development, recognition/reward for good performance, a competitive salary package and job security.

7. **N. Hemalatha & Dr. A. Savarimuthu ,(2013)** The objective of this study was to assess the level of satisfaction of employee retention techniques at GB Engineering Enterprises PVT Limited., Trichy. The study found that there is no significant association between educational qualification of the respondents and their overall retention techniques. This indicates that majority

55 %t of the respondents felt that the retention techniques of management are high and others felt its low.

8. Maqsood Haider.et al, (2015) This study examined the human resource (HR) practices that promote employee retention. Effective HR practices can reduce employee turnover and increase retention within an organization. A questionnaire was developed in this study with the help of literature to measure the identified HR practices and employee retention. The sample size of this study was 250. Regression analysis was performed to analyse the data. Compensation and culture has a positive relationship with employee retention whereas training and development has a negative one. The suggested the management to devise the effective strategies to improve the employee retention.

9. Ian M. Taplin & Jonathan Winterton,(2007), The purpose of this paper was to examine the role that management style plays in retaining workers in a high labour turnover industry. Case study approach based upon extensive interviews with workers and managers derived from industry wide data set. Positive actions by management promote worker attachment to leaders and the organization and are crucial in sustaining work values that diminish the likelihood of turnover. Practical implications – Management style is a variable that is often overlooked in shaping worker attitudes and is crucial to understanding why workers stay in these firms.

10. Victor Oladapo, (2014), This study sought to understand the challenges and successes of talent management programs and the reasons why some companies choose not to have a program. This study also tested the predictive power of job security, compensation and opportunity on retention rates. The data in this study found that for the organizations sampled with a talent management program (69% of those studied), participants overwhelmingly recognized the strategic value of an effective talent management program despite significant challenges to implementation. Participants cited opportunity for job advancement as the most significant factor affecting retention

rate. For the organizations sampled without a talent management program (the remaining 31% of those studied), while nearly all HR managers' support talent management, the primary reason given for the lack of a program is the absence of executive management support. The study further revealed that job security, compensation, and opportunity for advancement were not found to have predictive value for employee retention rates.

11. Dr. V. Antony Joe Raja & R. Anbu Ranjith Kumar, (2016) The research attempted to understand the opinion and attitudes of the various categories of employees of the SriSairam Hr. Sec. School, Prof Dhanapalan College for Arts and Science, Sri Krishna Engineering College towards the employee retention in the institution . The data was collected through well-structured questionnaires which contains closed end question. This survey was carried out in education institutions. The research design used for this study was descriptive in nature. A sample of 50 employees in each institution totally 150 samples helped to analyse their satisfaction level towards the institutions and provide valuable suggestions. This study revealed weak retention practices by the College in all of the established retention factors which include compensation and benefits, employee engagement, performance management, retention measures, and career development, hence; requiring an extensive review and modification of many administrative procedures which supposedly geared towards people management.

12. Atif Salman et .al (2014), This study is an attempt to investigate the factors of employees' retention in the banking sector of Karachi, Pakistan and find out its impact on the performance of Banks. The study focused on the primary data, which has been collected through closed ended questions with a five point Likert Scale. The study used purposive sampling technique to capture the response of bankers. The collected data has been examined and evaluated through Statistical Package for Social Sciences (SPSS). The results of data have

been critically examined through each and every angle and hence, they reached on the finding of the research. The study concluded that there is a strong relationship between Employees' motivation and employees' retention among employees of banking whereas employees' training and development has no relationship with employees' retention. It is suggested that banks should mold their policies regarding employees' training and development, which will help banking sector to retain employees for longer time.

Conclusion

With the growing needs for organizations to retain its best employees in the face of competition, the findings of the review study suggest that certain variables are crucial in influencing the employees' decision to either leave or remain in an organization. Such variables include training and Development, recognition/reward for good performance, a competitive salary package and job security. It is only a comprehensive blend of intrinsic and extrinsic motivational variables that can enhance retention and reduce the high rate of employee turnover in our various organizations.

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