



A STUDY ON THE IMPACT OF MOTIVATION ON EMPLOYEE RETENTION

Dr. Rajalakshmi G S.

Assistant Professor, Department of
Commerce, Mount Carmel College,
Vasanthanagar, Bangalore.

Ms Danesha S

Assistant Professor, Department of
Commerce, Mount Carmel College,
Vasanthanagar Bangalore

ABSTRACT

In today's business environment as it is true with high job losses due to layoff and retrenchment. The main aim of this research is to study the impact of motivation of employees on the employee retention. The current research is done to identify the factors that has direct relations between motivational levels and employee retention. Descriptive research design used in this research, questionnaire prepared for collecting primary data from the respondent employees of the organization. Likert's 5 point scale was used to measure the satisfaction of employees in relation with their motivational levels pertaining to their current job and its effect on the employee retention strategies. This research paper will discuss how the motivational factors affecting employee retention. The research analysis is done using SPSS.

Keywords: Motivation, Job Satisfaction, Motivational levels, Employee productivity.

Introduction

Motivation is the process that initiates, guides, and maintains goal-oriented behaviours. Motivated employees are an asset to an organization, they are directly proportional to an organization's success. Therefore, employee motivation is intangible, difficult to measure, and extremely difficult to control, but very easy to facilitate if done right. It's all about intention, intensity, and perseverance. The Four Forms of Motivation: Extrinsic, Identified, Intrinsic, & Introjected. No matter what size of business you run, as a leader, it's your prime responsibility to keep your employees up to their full potential.

Employee retention and motivation are interrelated with one another. The role of motivation in employee retention is the key to keeping your employees productive and committed to the work. Moreover, it'll also bring professionalism and commitment to the workforce who will sync all the employees to grow and build your business.

So, to increase the productivity of your employees, motivation and recognition can be one of the most significant ways of doing it.

Review of literature:

Barling (2003), in his research, "Relationship between quality of working life and jobs arousal capacity" concluded that lack of quality of Work Life blow damage into the job and expressed that there is significant positive relationship between the quality of working life and increasing the skills, information and motivation. According to Bartol and Martin (1998) motivation is power that strengthens behavior, gives route to behavior, and triggers the tendency to continue. Motivation is a set of courses which strength and boosts performance finally directs towards accomplishing some definite targets. According to Rutherford (1990) motivation formulates an organization to be more successful because it Motivation and Retention: HR Strategies in Achieving Quality of Work Life 765 provokes employees constantly looking for improved practices to do a work, so it is essential for organizations to persuade motivation of their employees.

Objectives of the study:

1. To examine the role of motivation in employee retention.
2. To analyse the factors influencing the employee retention.
3. To provide suggestions to the company to improvise on employee retention

Hypothesis of the study:

H1: The remuneration policy as retention strategy has a significant and indirect relationship with Employee Turnover Intention

H2: The management and employee relationship as retention strategy has a significant and indirect relationship with Employee Turnover Intention.

Limitations of the Study

1. The percentage of error is expected to be only 5%.
2. The study is restricted to assess only Employee Retention Strategy

Research Methodology:

Primary data: Data is collected through the well constructed questionnaire

Table no 1: Table depicting Mean, Standard Deviation, Skewness and Kurtosis

Particulars		company pays well to the employees	Pay survey is conducted regularly	employees are treated with respect	employees grievances are considered and solved
N	Valid	395	395	395	395
	Missing	0	0	0	0
Std. Error of Mean		.081	.082	.082	.088
Std. Deviation		.811	.638	.638	.753
Skewness		-.331	-.739	-.401	-.210
Std. Error of Skewness		.123	.123	.123	.123
Kurtosis		-.632	1.874	.391	-.814
Std. Error of Kurtosis		.245	.245	.245	.245

Interpretation:

From the above chart it is evident that the standard error of mean is acceptable as it falls within the acceptable range. The measures of Standard deviation, Skewness and the Kurtosis are all in the acceptable range regarding the hypothesis one and hypothesis two hence hypothesis one and two are acceptable.

Thereby proving that the employees who are paid well for which pay surveys are conducted and employer and employee relationship can also be strengthened by treating them with respect and also solving their grievances.

Table no 2: Table depicting the measures of dispersion and its effect on the variables

Particulars		company pays well to the employees	employees are treated with respect	employees grievances are considered and solved	Pay survey is conducted regularly
N	Valid	395	395	395	395
	Missing	0	0	0	0
	Mean	3.99	4.17	4.04	4.04
	Std. Error of Mean	.081	.082	.088	.082
	Median	4.00	4.00	4.00	4.00
	Mode	4	4	4	4
	Std. Deviation	.811	.638	.753	.638
	Variance	.657	.407	.567	.407
	Skewness	-.331	-.401	-.210	-.739
	Std. Error of Skewness	.123	.123	.123	.123
	Kurtosis	-.632	.391	-.814	1.874
	Std. Error of Kurtosis	.245	.245	.245	.245
	Range	3	3	3	3
	Sum	1577	1648	1596	1595

Interpretation

From the above chart it is evident that the measures of dispersion is acceptable as it falls within the acceptable range. The measures of Standard Deviation, Variance, Skewness Kurtosis are all in the acceptable range regarding the hypothesis one and hypothesis two hence hypothesis one and two are acceptable.

Thereby proving that the salary and financial incentives are motivating for employees for which pay surveys are conducted and employer and employee relationship can also be strengthened by building the morale among the employees.

Findings and Suggestions:

It is observed that monetary compensation can be a motivating factor even though the motivation for all the employees may not be the same it is understood that financial incentives can play an important role in the retention of the employees, for which the pay-survey has to be conducted. The motivating factors need not be the same it may also vary depending upon the individual experience, designation qualification, family background, objectives and goals of the employee.

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