



Employee Retention In Everlife CPC Diagnostics

Cherub Jeshurun Allwyn J¹, M Beulah Viji Christiana²

¹Final Year MBA Student, Department of Business Administration, Panimalar, Engineering College, Chennai, Tamil Nadu- 600123

²Professor, Department of Business Administration, Panimalar, Engineering College, Chennai, Tamil Nadu- 600123

Abstract

Employee retention is pivotal for organizational sustainability and performance. This study explores the factors influencing employee retention at a medical equipment manufacturing company, with a focus on the demographic variables, work-life balance, career development opportunities, and managerial support. The research employed a mixed-methods approach, utilizing surveys and statistical analysis to identify key retention factors and suggest strategic improvements. Findings indicate a significant correlation between employee satisfaction, compensation, and retention, highlighting areas for policy enhancement to reduce turnover and foster a productive workforce.

Keywords: Employee retention, satisfaction, compensation, productivity

1. Introduction

Employee retention, defined as an organization's ability to retain its employees, is critical for maintaining organizational stability and performance. High retention rates are associated with superior performance outcomes, including increased profitability and innovation. Conversely, high turnover rates lead to disruptions and increased recruitment and training costs. This study examines employee retention at a medical equipment manufacturing company, focusing on demographic variables, job satisfaction, career development opportunities, and managerial support.

Primary Objectives

To investigate and identify factors that contribute to employee retention at a medical equipment manufacturing company. This will involve analysing employee data, satisfaction surveys, to understand reasons to improve retention rates.

Secondary Objectives

- To improve productivity.
- To address employee productivity and retention rates.
- To enhance relationship between employees and management.
- To enhance employee satisfaction.

The study was limited only to the employees of Everlife CPC Diagnostics. The result of the study mainly depends on the information given by the respondent which may be biased. Mixed group of Employees like Experience, Age Factor, freshers will be generalized. A few employees were little nervous to fill up the questionnaire as most of the questions were related with the perceptions & activities of the management. Only 165 respondents were selected for the study in consultation with both external and internal guide as per company norms.

2. Literature Review

Job security and professional growth are foundational elements in retaining employees. Organizations should prioritize stability and career development programs to keep employees engaged and committed. Creating a conducive work environment that promotes job satisfaction is essential. Employers should focus on enhancing workplace conditions to improve employee engagement and retention. Krishna Prakash (2023) identified factors such as job security, professional growth, and managerial relationships as critical for retention in the IT sector. Emiliana Sri Pudjiarti (2021) found that job satisfaction mediates the relationship between work environment and employee engagement on retention. Clear and consistent communication, coupled with ensuring that employees align with the organizational culture, can greatly enhance retention efforts. Dr. S. Gokula Krishnan (2023) emphasized the importance of employee communication and person-organization fit in retention strategies. Organizations should implement comprehensive retention strategies that include both financial and non-financial incentives to maintain a motivated workforce. Mamatha Sridevi (2023) highlighted non-financial retention strategies, including career development and recognition programs. A positive organizational climate is crucial for retaining employees. Efforts to improve workplace culture and environment can lead to higher retention rates. Bhavesh Joshi (2023) analysed the organizational climate and its impact on retention using bibliometric analysis. Compensation is a key driver of retention. Organizations must ensure that their compensation packages are competitive and aligned with industry standards. Sari Fitri (2022) examined compensation policies in the IT industry, finding a strong correlation between equitable remuneration and retention. Work-life balance is increasingly important, especially in the context of remote work. Employers should offer flexible work arrangements to improve retention. Singh A. & D'Souza J. (2021) explored the impact of remote work on retention, emphasizing work-life balance. Leadership plays a critical role in retention. Inclusive leadership practices should be promoted to enhance job satisfaction and commitment. Chen L. & Zhao H. (2020) investigated the role of inclusive leadership in enhancing job satisfaction and organizational commitment. Addressing technostress is essential for retaining employees in technology-intensive industries. Providing adequate resources and support can mitigate its negative effects. Kumar P. & Raj H. (2022) discussed the phenomenon of technostress in the tech industry and its implications for retention. In high-stress industries like healthcare, robust support systems and fair compensation are crucial for retaining employees. Employers should prioritize the well-being of their staff to enhance retention. Evans M. & Thompson R. (2023) Focused on retention strategies for nursing staff during the COVID-19 pandemic. Diversity and inclusion are strategic advantages in retention. Organizations should foster multicultural environments to improve employee loyalty and retention. Lopez G. & Wu F. (2020) explored the relationship between workplace diversity and retention, finding that multicultural environments enhance employee loyalty.

This comprehensive review reveals that employee retention is influenced by a complex interplay of factors. Job security, professional growth, and managerial relationships are foundational for retention, particularly in the IT sector. Job satisfaction, influenced by the work environment, is a critical mediator for employee engagement and retention across industries.

Effective communication and a strong person-organization fit are crucial for fostering loyalty and commitment. Non-financial strategies, such as career development and recognition programs, complement financial incentives in retaining top talent. A positive organizational climate, characterized by inclusivity and support, significantly enhances retention.

3. Methodology

This study employed a mixed-methods research design, integrating quantitative data from surveys with qualitative insights from interviews. A stratified random sampling technique was used to select 165 respondents from various departments at CPC Diagnostics, ensuring representation across different strata. The structured survey included Likert scale, multiple-choice, and open-ended questions, while semi-structured interviews were conducted with a subset of respondents. Quantitative data analysis involved descriptive and inferential statistics, including correlation analysis, Mann-Whitney U test, and Kruskal-Wallis H test. Qualitative data from interviews were analysed using thematic analysis to identify recurring themes and patterns.

4. Data Analysis and Interpretation

The survey conducted at CPC Diagnostics revealed that the majority of respondents were male, constituting 82.4% of the total sample. This significant gender disparity suggests a potential area for improvement in gender diversity within the company. Most respondents (62.4%) were aged between 25 and 34 years, indicating a predominantly young workforce. This age group is typically associated with career-building and development, making retention strategies focused on growth and advancement particularly relevant.

Work-life balance is a critical factor in employee retention. In this study, 43.6% of employees rated their work-life balance as good, with an additional 20% rating it as very good. These positive ratings indicate that a significant portion of the workforce is satisfied with their ability to balance professional and personal responsibilities. Furthermore, 62.4% of respondents felt motivated by their managers in aspects related to career development. Effective managerial support is essential for fostering an environment where employees feel valued and supported in their career aspirations.

4.1 Correlation Analysis

Table 1: Correlation Analysis

		Employee Motivation	Employee satisfaction	Employee engagement	Compensation benefits
Employee Motivation	Corre	1.00	0.81	0.61	0.36
	N	165	165	165	165
	Sig	-	0.00	9.34×10^{-11}	0.00
Employee satisfaction	Corre	0.81	1.00	0.399	0.902
	N	165	165	165	165
	Sig	0.00	-	1.11×10^{-7}	0.00
Employee engagement	Corre	0.61	0.399	1.00	0.543
	N	165	165	165	165
	Sig	9.34×10^{-11}	1.11×10^{-7}	-	4.88×10^{-14}
Compensation benefits	Corre	0.36	0.902	0.543	1.00
	N	165	165	165	165
	Sig	0.00	0.00	4.88×10^{-14}	-

Employee Motivation and Employee Satisfaction (0.81): Table 1 shows that there is a very strong correlation between employee motivation and employee satisfaction. Similar to the first point, there's a correlation between Employee Motivation and Compensation Benefits (0.61), indicating that better compensation benefits are associated with higher employee motivation.

Employee Motivation and Employee Engagement (0.36) shows a moderate correlation, suggesting that higher engagement levels can somewhat increase motivation, but the effect is not as strong as that of satisfaction or compensation.

Employee Satisfaction and Compensation Benefits (0.902) has a very strong positive correlation, indicating that higher satisfaction levels are closely linked with better perceptions of compensation and benefits. Meanwhile, Employee Satisfaction and Employee Engagement (0.399) positive correlation is moderate, suggesting that while there is some link between satisfaction and engagement, other factors may also play substantial roles in influencing each of these independently.

Employee Engagement and Compensation Benefits (0.543) shows a moderate positive correlation. Higher engagement levels correlate with better perceptions of compensation, possibly indicating that more engaged employees value or recognize their compensation packages more favourably.

A robust culture of teamwork and regular feedback mechanisms are crucial for employee engagement. According to the survey, 75.2% of employees agreed that the organization encourages teamwork, highlighting a collaborative work environment. Additionally, 68.5% of respondents reported receiving regular or monthly feedback, indicating that the company has established effective communication channels for performance evaluation and improvement.

A sense of belonging within the company is pivotal for long-term retention. The survey showed that 72.7% of employees felt a strong sense of belonging at CPC Diagnostics. This is complemented by the finding that 69.1% of respondents felt that the training programs provided are aligned with the company's goals, suggesting that the organization invests in the development of its employees to meet both individual and organizational objectives.

Diversity and inclusion are increasingly recognized as critical components of a positive workplace culture. At CPC Diagnostics, 74.6% of respondents believed that the company values diversity and inclusion. Compensation satisfaction also plays a vital role in retention, with 63.7% of employees feeling that their compensation reflects their skills and contributions. Moreover, 60.6% of respondents felt confident in achieving their career goals within the organization, indicating that career development opportunities are perceived positively by a majority of the workforce.

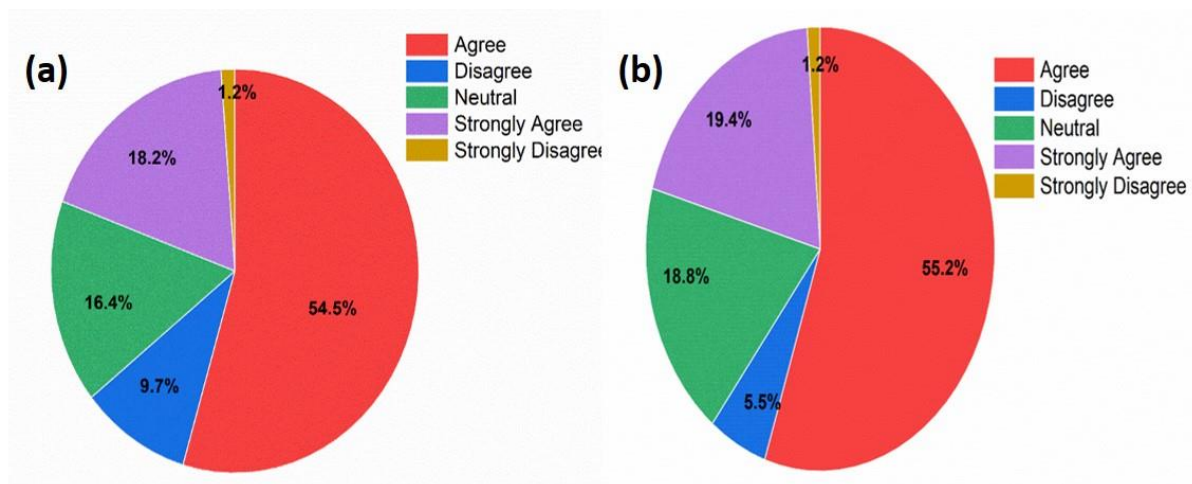


Figure 1: Employees view on (a) Sense of Belonging; (b) Diversity and Inclusion

The survey findings reveal that 64.3% of employees found the bonus structure motivating and fair, which is essential for maintaining high levels of motivation and satisfaction. Overall job satisfaction was reported by 60% of respondents, suggesting a generally positive perception of their current roles. Furthermore, 71.5% felt that there were ample opportunities for mentorship and guidance, which is crucial for professional development and employee retention.

4.2 CHI-SQUARE TEST

- Null Hypothesis (H0): There is no association between the criteria and the levels of agreement.
- Alternative Hypothesis (H1): There is an association between the criteria and the levels of agreement.

Table 2: Correlation Analysis

Criteria	Agreement Level	Observed (Oij)	Expected (Eij)	Oij - Eij	(Oij - Eij) ²	(Oij - Eij) ² / Eij
Manager Motivation	Agree	73	84.21	-11.21	125.72	1.49
	Disagree	17	17.73	-0.73	0.53	0.03
	Neutral	44	34.45	9.55	91.19	2.65
	Strongly (Agree)	30	26.19	3.81	14.51	0.55
	Strongly (Disagree)	1	2.42	-1.42	2.01	0.83
Teamwork	Agree	91	84.21	6.79	46.07	0.55
	Disagree	7	17.73	-10.73	115.11	6.49
	Neutral	33	34.45	-1.45	2.10	0.06
	Strongly (Agree)	33	26.19	6.81	46.37	1.77
	Strongly (Disagree)	1	2.42	-1.42	2.01	0.83
Feedback	Agree	77	81.15	-4.15	17.22	0.21
	Disagree	30	17.08	12.92	166.77	9.77
	Neutral	37	33.20	3.80	14.44	0.43
	Strongly (Agree)	10	25.24	-15.24	232.18	9.20
	Strongly (Disagree)	5	2.33	2.67	7.13	3.06
Inclusiveness	Agree	90	84.21	5.79	33.55	0.40
	Disagree	16	17.73	-1.73	2.99	0.17
	Neutral	27	34.45	-7.45	55.50	1.61
	Strongly (Agree)	30	26.19	3.81	14.51	0.55
	Strongly (Disagree)	2	2.42	-0.42	0.18	0.07
Training and Development	Agree	87	84.21	2.79	7.77	0.09
	Disagree	18	17.73	0.27	0.07	0.004
	Neutral	30	34.45	-4.45	19.81	0.57
	Strongly (Agree)	27	26.19	0.81	0.66	0.03
	Strongly (Disagree)	3	2.42	0.58	0.18	0.05

The Chi-square test on the data resulted in the following:

- Chi-square Statistic: 41.572
- Degrees of Freedom: 16
- p-value: 0.000457

4.3 Mann-Whitney U Test

Null Hypothesis H0: There is no significance difference between the mean rank of men and women with respect to those 4 dimensions.

Alternative Hypothesis H1: There is significance difference between the mean rank of men and women with respect to those 4 dimensions.

Table 3: Mann-Whitney U Test

	Gender	N	Mean Rank	Sum of Ranks
Employee Motivation	Male 1	136	68.5	9316.0
	Female 2	29	15.0	435.0
	Total	165		
Employee satisfaction	Male 1	136	68.5	9316.0
	Female 2	29	15.0	435.0
	Total	165		
Employee engagement	Male 1	136	68.5	9316.0
	Female 2	29	15.0	435.0
	Total	165		
Compensation benefits	Male 1	136	68.5	9316.0
	Female 2	29	15.0	435.0
	Total	165		

Table 3: T-statistic

Dimension	Mann-Whitney U	Wilcoxon W	Z-Score	Asymptotic Significance (2-tailed p-value)
Motivation	1624.0	1624.0	-1.49	0.111
Employee Satisfaction	2378.5	1565.5	1.74	0.063
Employee Engagement	2211.0	1733.0	1.02	0.262
Compensation Benefits	1989.0	1926.0	0.14	0.886

5. Discussion

The Mann-Whitney test showed that, for all four dimensions (Motivation, Employee Satisfaction, Employee Engagement, Compensation Benefits), there were no significant differences between the mean ranks of men and women. Thus, the null hypothesis holds for each dimension according to the data provided.

The findings highlight the importance of job satisfaction, compensation, and managerial support in retaining employees. While most employees view the organization positively, areas for improvement include enhancing skill development opportunities and ensuring equitable compensation. The study underscores the need for continuous feedback and recognition programs to maintain employee engagement and satisfaction.

6. Conclusion

Employee retention at CPC Diagnostics is influenced by several factors, including job satisfaction, managerial support, and compensation. By addressing the identified areas for improvement, CPC Diagnostics can enhance its retention strategies, reduce turnover costs, and foster a more engaged and productive workforce.

Recommendations

1. **Enhance Skill Development:** Implement personalized training and development programs to address the needs of both male and female employees.
2. **Improve Compensation Transparency:** Regularly review and communicate the compensation structure to ensure it is competitive and fair.
3. **Strengthen Managerial Support:** Provide training for managers to improve their motivational strategies and support for career development.
4. **Promote Work-Life Balance:** Introduce flexible work arrangements and wellness programs to improve work-life balance.
5. **Foster a Sense of Belonging:** Develop initiatives that enhance inclusivity and employee engagement.

Acknowledgement

The authors would like to thank the Department of Business administration at Panimalar Engineering College and the Human Resource department of Everserve CPC Diagnostics, Chennai

References

- [1] **Krishna Prakash** : “Factors Affecting Employee Retention in IT Sector”. International Advanced Research, ISSN 2320-5407,2023.
- [2] **Emiliana Sri Pudjiarti**: “Satisfaction Determinant and the Implication of Employee Retention”. Business and Management, ISSN:2278-487X.2023
- [3] **Dr. S. Gokula Krishnan**: “Impact of Employee Communication and Person Organization Fit on Employee Retention”. Journal of Management and Social Science ISSN 2394-6407,2023
- [4] **MamathaSridevi** : “Employee Retention Strategies”. Journal of Scientific Research” ISSN No 2277 – 8179,2023
- [5] **Bhavesh Joshi** : “Organizational Environment and Employee Retention: An Examination Based on Bibliometric Analysis”. Journal of Management, <https://journalofbusiness.org/index.php/GJMBR/article/view/2243,2023>
- [6] **Sari Fitri** : “Evaluation of Compensation Policies and Their Impact on Employee Retention in the IT Industry”. Journal of Business, ISSN:2278-551X,2022
- [7] **Singh D**: “A literature review on employee retention with focus on recent trends.” Journal of Advanced Research, ISSN 2320-5407,2019
- [8] **MarwaGaber Ahmed Fahim** : “Strategic human resource management and public employee retention” emerald insight, ISSN: 2631-3561, 2018.
- [9] **Armando Papa, Luca Dezi, Gian, Luca Gregori, Jens Mueller, J. Nicola Miglietta** : “Improving innovation performance through knowledge acquisition: the moderating role of employee retention and human resource management practices” Journal of Knowledge Management DOI: 10.1108/JKM-09-2017-0391,2018.
- [10] **Alias, NurulEzaili; Othman, Rozana; Loon, Koe Wei; Ridzuan, Abdul Rauf; Krishnan,:** “Evaluation of Employee Retention in the IT Industry” American Scientific Publishers, DOI: 10.1166/asl.2017.9594,2017.
- [11] **Dr. K. BalajiMathimaran& Prof. Dr. A. AnandaKumar** : “Employee Retention Strategies – An Empirical Research” Global Journal of Management and Business, <https://journalofbusiness.org/index.php/GJMBR/article/view/2243,2017>
- [12] **Dr. G. Balamurugan, R. Abinaya** : “A Study On Employee Retention Techniques At Textile Industry With Reference To Karur District” International Journal of Management Research and Social Science ISSN 2394-6407,2016
- [13] **Ms. Sathya, Dr. R. Indradevi** : “Study on Determining Factors of Employee Retention” International Journal of Scientific Research” ISSN No 2277 – 8179,2014.

[14] **BidishaLahkar Das, Dr. MukuleshBaruah:** “Employee Retention: A Review of Literature””, IOSR Journal of Business and Management, ISSN:2278-487X,2013

[15] **Dr. K. Aparna Rao :** “Employee retention-a real time challenges in global work environment” International Journal of Advanced Research, ISSN 2320-5407,2012

BOOKS REFERRED:

- C.R. KOTHARI, WISHWA PRAKASHAN, Wishwa Prakashan Publication (2002), Research methodology and Technologies”, New Delhi.
- LEVIN .R.I and RUBIN, Prentice hall of India Pvt. Ltd. (2010), “Statistics for management”, New Delhi.
- Dr. C.B. GUPTA, Sultan Chand & Sons (2010), “Human resource Management” New Delhi.
- SRIJAN SENGUPTA and ANJALI RAY, Lambert Academic Publishing. (2016), “Employee Retention: An Indian Perspective”. United Kingdom.

