

A study on employee retention strategies

¹ Dr. Saravanan M, ² Sruthi TT

¹ Assistant Prof, Department of International Business, Sree Narayana Guru College, K.G Chavadi, Coimbatore, Tamil Nadu, India

² Research Scholar, Department in Commerce, Sree Narayana Guru College, K.G. Chavadi, Coimbatore, Tamil Nadu, India

Abstract

Human resource is the most important asset in the present era, so every company tries to retain its employees. Numerous policies and strategies are developed in the company, to build and foster an environment that encourages the current employees to stick on to their current positions the factors of production can be arranged easily. But the most important task is to equip and retain talented human resources. Therefore organizations mainly pay attention towards employee retention, this research tends to find out the efforts made by the employers to retain and develop a good work force. This study concludes that the employees retain in a company where attractive salary packages and job security are offered.

Keywords: employee retention, employee retention strategy, job security, techniques & polices

Introduction

Retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Employee retention is beneficial for the organization as well as employees. Employee retention simply means retaining an employee in the same organization. Various practices are followed by companies in retaining its employees. They are as follows;

- Low level employee retention strategies
- Medium level employee retention strategies
- High level employee retention strategies

Low level strategies

These are the strategies that are done initially to give an recognition and appreciation to the employee, that they are a part of the company. It includes.

- Personalized well done and thank u card from supervisors
- Congratulations card or e-card sent to families
- Recognizing and appreciating a well done job
- Periodic days off for good performance
- Give rewards like certificate, gifts, monetary and non-monitory rewards
- Ensuring workforce convenience
- Laundry facility for bachelors
- Casual dress policies
- Recognizing professional as well as personal significant events
 - Wedding gifts
 - Anniversary gifts
 - Scholarship for employee's children
 - Cards on special days
- Providing benefits like
 - Home insurance plans
 - Legal insurance
 - Travel insurance
 - Disability program

- Occasional parties like Onam, Christmas, Diwali, etc
- Conduct holiday parties and celebrate birthdays, anniversaries, etc.
- Organize get together for watching football, hokey, cricket matches, etc
- Organize trips and conduct indoor games
- Occasional stress relievers, like
 - Casual dress day
 - Hand writing analysis
 - Tattoo, mehndi, hair styling stalls on weekends etc
- Employee support in tough time or personal crisis
 - Personal loans for emergencies
 - Children and eldercare services
- Employee assistance program (counseling sessions etc)

Medium level employee retention strategies

These are next level of strategy developed by the organization that creates a sense of belonging to the employees. In this strategy mainly focus is given to bonus, personnel development and improvement in the current job. The other middle level strategies are;

- Special bonus for successfully completing firm sponsored certification
- Benefit program for family support
- Flexible benefits
- Providing convenience at workplace
- Providing training and development and personal growth opportunity
- Professional skill development
- Gymnasium

High level employee retention strategies

This type of strategies helps in maintaining a good relationship with the management as they are designed according to the needs and wants of each and every employee. Especially the strategies adopted in the high level are;

- Develop flexible schedule
- Part time schedule
- Develop support services
- Understand employee needs
- Appreciate new ideas and reward risk taking
- Encourage creativity

These are the different levels of retention strategies, which are focused by the companies. These strategies are followed to reduce employee turnover and attrition, and ensure employees are engaged and productive long term. The business firms ensures retention strategies were aligns with the goals of business in order to ensure maximum return on investment.

The reason why employees leave the firm

Recent studies have shown that 'limited praise and recognition' was ranked as a primary reason of employee leave their jobs. Besides this, the other reasons for employee leaving the job are;

- Job is not what employee expected
- No growth opportunities
- Lack appreciation
- Lack of trust and support
- Stress from over work
- No personal life

The main effect of employee retention is the cost of turn over. Similarly the company knowledge may be known to the competitors. There may be interruption in the services provided to the customers leading to lack of goodwill to the company.

The reason why Mostly employees remain in the same organization where they are provided with challenging works, attractive salary, Learning oriented relationship with superiors, sub ordinates and colleagues, Competent leadership and job security Etc.

Retention strategies that organizations use

Various methods and strategies are framed by the organizations to retain the employees in the same organization. The mostly adopted retention strategies are to provide an attractive salary so that the employee is satisfied to meet his needs and wants. The other strategies are explained below;

Training and development

Organization should design training program that match employee competencies with current trends.

Work life

The working atmosphere in the company must be satisfactory. There must be an opportunity to maintain one's professional life and personal life.

Effective monitoring

Another reason for turnover is lack of effective monitoring skills. Employees get demotivated in the absence of proper mentors.

Challenges

Employees should help employees to prove their worth and bring out their talent potentials and avoid cost point.

Autonomy

Giving employees responsible tasks, while giving them the freedom to work in their own style and motivates them to stay on.

Good relationship

Healthy relationships among the line members and staff members inspire employees to stay on in many organizations.

Good monetary packages

Compensation plays an important role in attracting, motivating and retaining employees.

These are the main retention strategies which are followed by the organizations for maintaining their existing employees with increased satisfaction level. Some other measures that organization can use to improve retention rates are;

- Hire the right people
- Recognizing employees
- Communication
- Clarifying expectations
- Show them care
- Develop weak performers
- Pride in ones work
- Provide alternative work schedule

With the effective application of these measures, an organization can easily manage their employees, having the mindset to migrate from the organization to another best opportunity they got. And it also helps to increase the satisfaction level of each and every employee in the organization. Retention strategies are mainly focused to the whole group as well as given importance to individuals.

Role of human resource manager in employee retention

It is important for the management to retain its valuable employees. In order to maintain them the role of HR is unavoidable. A Good HR team can provide guidelines, design rules, and make effective policies according to the preferences and taste of employees. The major roles are;

- When an employee resigns from his current job it the duty of the HR team to know why the employee is quitting from his current assignments. There may be a reason for the employee to drop his present job and it is the responsibility of the HR manager to intervene and know the reason behind it.
- HR team has to maintain a sound relationship with its all employees. The problems of the employees must be familiar by the team and suitable remedies for the problem must be provided with in immediate effect.
- Many motivational activities must be organized by the HR department in order to encourage the employees. Suitable incentives, salary hike, appreciation, etc. must be given to the employees at the correct time and place.
- Proper training and development from time to time must be arranged for the employees according to their level of work and position. The employees look for another job only when they find that their current job is not providing any growth opportunities. So job rotation has to be applied at frequent intervals.

So the HR team must have a good vision and mission with a continuous flow of strategies and peoples thought.

Findings

As per the analysis of the study employees remain in the same organization were;

- attractive salary are offered
- recognition and appreciation for the work done
- better working atmosphere and job security
- adequate opportunities for learning and growth
- provide freedom of work according to the style and creativity of the employees

Suggestions

The study reveals that it is a difficult task to manage and retain the employees in this competitive world. The role of HR manager is very crucial in reducing employee turnover rates by applying suitable retention strategies. The management has to clearly understand the dynamic needs of all the employees and design new plans and actions accordingly. Every organization must clearly understand the reasons why an employee quits from the job and prompt remedies must be taken to avoid this type of employee turnover.

Conclusion

This study concludes that it is very difficult and crucial task to manage and retain the employees. Like every asset human resource is very important, so every management must take effective actions and plans to maintain its employees. It is very necessary to understand the employee perception and mobility as their preference can change rapidly. To maintain the employees in an organization, the management has developed different strategies according to the level of work and position of the employees. From this study, it is clear that employees stick on to their present job only when they get attractive salary packages. The other reason why they prefer their current job is the security and working atmosphere provided with in the organization.

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