

INFLUENCE OF STRATEGIES TO MANAGE EMPLOYEE ATTRITION

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ABSTRACT

The phrase attrition refers to the scaling down of personnel in an organization. it takes place because of resignation, retirement, or due to demise of the employee. the personnel goes away the organization due to many reasons as he can also also be getting excessive salary, higher job positions in some other commercial enterprise enterprise or he may additionally moreover want to trade his profession. presently it business enterprise in india is dealing with immoderate workforce attrition. young Genius doesn't stick to one enterprise for more than one year. organizations have to have to be higher cautious at the same time as hiring the staff. the job opportunities in the indian it quarter are extra than the on hand employee's demand is more than supply. due to the high attrition rate, the price of the organization will increase due to training, development, and socialization and additionally affects productiveness and exclusive expenses on the employees. this paper goals to provide an explanation for why the indian it quarter is dealing with the easiest attrition charge and some of the remedial steps to avoid or decrease the turnover rate.

Keywords: *Organisational system Related Factors, Business Related Factors Supervisor Related Factors, Individual Related Factors, Employee Related System, Retention Strategies.*

1.1 INTRODUCTION

Attrition is described as a reduction in the range of personnel thru resignation, retirement, or death. The price of shrinkage of a variety of employees is known as attrition. Attrition takes area due to the nonfulfillment of employee expectations from the corporation in return for offerings supplied to them. The causes of attrition in the Indian IT area may additionally be both voluntary or involuntary. Attrition refers to the loss of personnel due to reasons other than firing and other employee-initiated events. The employer has no direct management over how many personnel are misplaced to employee attrition. There are many causes of employee attrition and dissatisfaction with the company, cease due to greater positions in other groups or may also be due to death. Attrition can carry losses to an organization as a whole. Therefore job attrition can be very luxurious to the agency due to the fact it takes a lot of time, effort, and sources to train and enhance employees so that they work successfully and successfully for that specific corporation, and in case employees go away their jobs it reason super loss to the organization because then they have to instruct every other employee with all the sources again. That is why attrition is very harmful.

The attrition varies according to the nature of business, the stage of the employees, and the nature of the responsibility shouldered by them. The obvious, frequent and most important motives are the discomforts experienced by the personnel and the useful incompatibility between corporate administration and the employees. Sometimes an employee finds himself amongst colleagues and superiors he is unable to cope with him. Or he finds himself definitely out of tune in his functions with the employee's practical requirement, failing to upward jostle to the employer's expectations. Another essential reason is that the employee's remuneration is now not voluminous ample to undergo the brunt and cushion the con concussions of his household and social existence.

1.2 REASON FOR ATTRITION IN ITS INDUSTRY

- Ambitions or Career Aspirations
- Personality Factors
- Inadequate Training and Ineffective Management
- Parental and Family mobility
- Conflicts between work strategy and goals
- Wrong perception by MNCs
- Lack of motivation
- Costs of attrition are higher than low-cost benefits in India
- Job-related factors

1.3 RETAINING THE EMPLOYEES

Organizations try hard to retain their employees and reduce their company attrition rate so that their resources can be saved and used for other productive purposes. When we are aware of the facts leading to attrition of an employee we can take a few measures to retain them.

Provide good working conditions and introduce positive work culture so that an employee is at ease and not stressed while working.

Appreciate all the good work and mentor him. He will feel at ease and will be delighted that the company cares for him.

Fostering a culture of Management concern- Companies today must show an interest in helping people develop to their fullest potential. In addition to reducing bureaucracy, high-performing, high-tech companies provide freedom in scheduled hours and lifestyle choices.

Job enlargement- Don't lock people into positions because they are "so good at it". Managers must continually ask: "What's the next step for this employee".

Flexible working hours for those who need to fulfill other's important personal obligations.

Rewarding Managers- Many companies say they value people and train their management team to cope with people's issues. Yet these same managers are too often rewarded solely on their technical skills and financial results.

Strengthening the Team- Marginal performers in management must be weeded out.

Identify the people you want to keep – In recent years; many executives have focused on whom they should get rid of rather than whom they should keep. Unfortunately, those who decide to leave are often high-impact performers who can find other work quickly.

If possible provide him with an insurance policy so that he feels that the company cares for him.

Recruit the right person for the right job because a mismatch will hamper the work and cost a lot to the company.

2.1 LITERATURE REVIEW

The literature review was conducted to provide a conceptual framework from which to plan and organize the research and interpret results. The literature review entails obtaining recent and relevant literature and the presentation of this material in a qualitative manner.

The main purpose was to gain knowledge and ideas based on the previous establishment and get to know what their strength and weakness were to further enhance and upgrade the integration.

Xiaoxia Suna, HonggangXub & Mehmet Ali Köseogluc, et al. (2020) studied that for entrepreneurs, business does not work, it's a lifestyle. The lifestyle entrepreneurs have administration tactics, I) Temporal Tactics, II) Physical Tactics and III) Psychological Tactics. Vigneshwaran, D., Mohankumar, S., & Vimala, B. (2022) Many of the researchers concluded that self-employment has a terrific advantage in work-life balance

David (2015) studied identified different reasons for attrition in the it sector such as excessive stress because of high pressure, workload has compelled people to leave jobs, and lack of trust of employees towards their leaders which leads to no motivation and no retention.

Janani (2014) studied identified two factors one is push factors and the other is pull factors that affect employee turnover intentions. push factors include benefits and facilities, size of organization, location of organization, nature, and kind of organization, communication system in organization, and pull factors are high salary, career advancement, new challenges, and interesting job. there are some personal factors also that affect employee turnover intentions are age, marital status, health problems, and family-related issues.

Savneet (2013) studied in her research she finds out that there is no attrition management solution for every company. each organization has to build its motivational system based on compatibility between organizational and individual goals. a solution varies from organization to organization and from industry to industry.

Ravindra (2013) studied in his study suggested that there is a need for organizations to start understanding employees in a better way and to create a more reliable and concrete relationship with their employees. he said a low attrition rate is possible if the organization takes care of a few factors and has to be dealt with with a somewhat emotional attitude.

James and mathew (2012) studied suggested some important retention strategies. they include rewards and recognition, training and development opportunities, mentoring and coaching sessions, career planning, flexi work timing, annual performance appraisal, and on-site and day care facilities. at the graduate level flexible work timing is a very important retention strategy. rewards and recognition are very important for retaining the employees. the best way to enhance the employee retention is to understand what employees want from the organization.

Sinha (2012) studied mentioned that skill recognition is a very effective retention strategy at any age. Employees can be retained in an organization by providing them good compensation structure. Other retention strategies are providing employees with A supportive and learning environment,

flexi timing, training, and development opportunities are very important retention strategies for retaining the employees.

Govaerts et al (2011) studied find that if an organization wants to retain its employees then it has to pay special attention to the learning of employees. if the organization encouraged learning then it will help in employee retention. the age is a very important factor in employee retention.

Goswami and jha (2012) studied in his study find out that organizations planning for the future should be giving close attention to why attrition is occurring in the present. if an organization ignores why people are leaving the organization is to ignore the organizations biggest assets-its people.

Kyndt et al (2009) studied through their work and identified that an organization should give special emphasis to the learning of employees. leadership style and age have a positive relationship with employee retention.

Hannay and northam (2000) studied mentioned that it become very important for an employer to retain its employees. for retaining its employees organization has to make retention strategies like expanding the benefits package as one of the methods to build loyalty and commitment. individualizing jobs to satisfy employees' needs for autonomy, challenge, and growth, investigating alternate labor markets by hiring older workers, providing realistic job previews to applicants during the recruitment process, and providing a tuition reimbursement program to employees are retention strategies that contribute to improving employee retention.

RESEARCH GAP

Is there any measurement to determine the exact number of factors responsible for employees attrition whether the derived factors ate independent among themselves to validate the attrition. to address these issues the researcher intended to conduct the research with the following objectives.

NEED FOR THE STUDY

The research gives insights into the stress level, work environment, teamwork, and job satisfaction level. The finding is about the major factors involved in employee attrition.

OBJECTIVES OF THE STUDY

The objective of this study is to understand the factors influencing attrition in the it industry. this study is carried out regarding the it companies in chennai.

This study is a learning process for post-graduate students and the main objective is to understand how research is carried out along with the various processes involved.

This study is based on actual findings limited to one IT company located in Chennai and it shows the main factor which is responsible for employee attrition in IT industries.

RESEARCH DESIGN

The sample size was determined by considering the number of employees responding to the questionnaire. the scholar attended 42 meetings of the it companies which were attended by 4270 employees belonging to respective companies. the repetitive responses of employees are avoided. it was decided to collect responses from more than 10 percent of the total number of employees who attended the meetings. a total of 500 questionnaires were circulated to the employees. the population from which the sample was sourced consists of employees in the it industry. the size of

the population can not be decided because of the enthusiasm of employees at the preliminary stages. random sampling was utilized with individual subjects representing individual sampling units. this method has been suggested as satisfactory for theory testing purposes (mittal 1995).

Table 1

Analysis of Variance table for Organisational system Related Factors

Sources of Variation	Sum of Squares	df	F	Significance at 0.05 level	η^2
number of family members	4273.02	2	22.23	< .001	0.13
Residuals	27584.28	287			

An analysis of variance (ANOVA) was conducted to determine whether there were significant differences in work and employee attrition by the number of family members. The ANOVA was examined based on an alpha value of 0.05. The results of the ANOVA were significant, $F(2, 287) = 22.23$, $p < .001$, indicating there were significant differences in work and employee attrition among the levels of the number of family members (Table 4.95). The eta squared was 0.13 indicating the number of family members explains approximately 13% of the variance in work and employee attrition. The means and standard deviations are presented in Table 2.

Table 2

Mean, Standard Deviation, and Sample Size for Business Related Supervisor Related Factors

Number of Family Members	Overall Score of Work and Employee attrition by Number of Family Members		
	No. of Respondents	Mean	S.D
Up to 3 members	173	66.38	9.38
4 to 5 Members	60	62.42	10.92
Above 5 members	57	74.19	9.83

Source: Primary Data

Post-hoc

Paired t-tests were calculated between each pair of measurements to further examine the differences among the variables based on an alpha of 0.05. The Tukey HSD p-value adjustment was used to correct for the effect of multiple comparisons on the family-wise error rate. For the main effect of the number of family members, the mean of work and employee attrition for Up to 3 members ($M = 66.38$, $SD = 9.38$) was significantly larger than for 4 to 5 Members ($M = 62.42$, $SD = 10.92$), $p = .020$. For the main effect of the number of family members, the mean of work and employee attrition for Up to 3 members ($M = 66.38$, $SD = 9.38$) was significantly smaller than for Above 5 members ($M = 74.19$, $SD = 9.83$), $p < .001$. For the main effect of the number of family members, the mean of work and employee attrition for 4 to 5 Members ($M = 62.42$, $SD = 10.92$) was significantly smaller than for Above 5 members ($M = 74.19$, $SD = 9.83$), $p < .001$.

t-Test result

Table 3
Two-Tailed Independent Samples t-Test for Individual Related Factors Support by Satisfaction levels with Salary

Variable	Satisfied		Dissatisfied		t	p	d
	M	SD	M	SD			
work and employee attrition	71.70	11.57	65.55	9.66	4.47	< .001	0.58

Note. N = 290. Degrees of Freedom for the *t*-statistic = 288. *d* represents Cohen's *d*.

A two-tailed independent samples t-test was conducted to examine whether the mean of work and employee attrition was significantly different between the Satisfied and Dissatisfied categories of Satisfaction levels with Salary. Assumptions of normality and homogeneity of variance were examined before the test.

Normality. Shapiro-Wilk tests were conducted to determine whether work and employee attrition could have been produced by a normal distribution for each category of Satisfaction levels with Salary (Razali & Wah, 2011). The result of the Shapiro-Wilk test for work and employee attrition in the Satisfied category was significantly based on an alpha value of 0.05, $W = 0.91$, $p < .001$. This result suggests that work and employee attrition in the Satisfied category is unlikely to have been produced by a normal distribution. The result of the Shapiro-Wilk test for work and employee attrition in the Dissatisfied category was significantly based on an alpha value of 0.05, $W = 0.95$, $p < .001$. This result suggests that work and employee attrition in the Dissatisfied category is unlikely to have been produced by a normal distribution. The Shapiro-Wilk test was significant for both the Satisfied and Dissatisfied categories of Satisfaction levels with Salary, indicating the normality assumption is violated.

Homogeneity of Variance. Levene's test was conducted to assess whether the variance of work and employee attrition was equal between the categories of Satisfaction levels with Salary. The result of Levene's test for work and employee attrition was not significant based on an alpha value of 0.05, $F(1, 288) = 2.04$, $p = .154$. This result suggests the variance of work and employee attrition may be equal for each category of Satisfaction levels with Salary, indicating the assumption of homogeneity of variance was met.

Results

The result of the two-tailed independent samples t-test was significantly based on an alpha value of 0.05, $t(288) = 4.47$, $p < .001$, indicating the null hypothesis can be rejected. This finding suggests the mean of work and employee attrition was significantly different between the Satisfied and Dissatisfied categories of Satisfaction levels with Salary. The results are presented in Table 3

CONCLUSION

Employee retention has emerged as a principal situation for company nowadays. now groups are recognizing that their aggressive attain lies now not with capital or bodily sources alternatively as a substitute for their human resources. when an worker is planning to quit then some elements are responsible for his job change. these factors are organizational culture, social support, work-life balance, job stress, relationship with friends, management policies, and profession opportunities.

in the literature evaluation it was once found out that the organizational factors are more imperative than job elements for protecting employees. to preserve its employees employer has to make retention methods like rewards and recognition, a superb working environment, potential recognition, resource learning, coaching, and improvement opportunities, mentoring and teaching sessions, appropriate compensation structure, supplying flexi-timing amenities, and annual ordinary performance appraisal are very beneficial in preserving the employees. The assessment of literature suggests that genuine retention is about extra than what a business enterprise does as soon as a worker has been hired and set up inside an organization.

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