

An Empirical Study On Employee Retention Practices Adopted In Automobile Industries In Chennai

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DOI: 10.47750/pnr.2022.13.S09.478

Abstract

This paper mainly focuses on Managing employee retention and the tools used for retention. Specifically this paper pictures about the general practices adopted like Career Development, Work-life Programs, Work Environment, Job Security and Job Satisfaction. Philosophically, employee retention is important; in almost all cases, it is senseless to allow good people to leave your organization. The success of an organization mainly relies on the efficiency & stability of its employees. During the past decade the automobile industry has been facing a drastic problem in retaining the top talents. The key to success relies on good leadership, good management, and potential team with, knowledge, skills, attitudes and aptitudes. The technical know-how of a company to retain its employee depends on the constant growth rate of it. In business market good refers to valuable and talented employees. This article presents about the research paper on employee retention in automobile industry.

Key Words: Retention Practices, Job Security, Job Satisfaction.

INTRODUCTION

In today's competitive world where there is significant change in technology, trade agreements and increase in cost of living, maintaining a good employer employee relationship is a challenge for any business organizations. This research at- tempts to explore the major factors that contribute for retaining existing employees in automobile industry. The talented employees may leave an organization because they become dissatisfied when under paid or under motivated (coff 1996), and while the organizations tries to retain its employees they may present other challenges namely overtime salary which do not comply with organizational plans and policies.

Employee retention is the ability of a business to convince its employees to remain with the business. It is important to remember that all business lose employees for varied reasons like unsuitability, changes in strategy, strikes, layoffs , retirement, long term illness etc., the voluntary turnover. Staff turnover may vary between industries and also from region to region. However poor employee retention may lead an organization to face the following problems. Such as increase in cost of recruitment, poor morale among work force which will lead to low productivity.

LITERATURE STUDY

Michael D. Jackson March (1999) conducted a research on employee retention of range complex fire Department (RCFD) with an main objective to identify what were the reasons for an employee to quit an organization and to provide suggestions to improve employee retention the author formulated descriptive and evaluation research methods to carry out research and the researcher found out the reasons such as long work week, job dissatisfaction and lack of promotional opportunities. Finally the researcher provided suggestions to the top management to concentrate on 6 keys to identify retention such as recruiting training communication job satisfaction pay and benefits.

John E. Sheridan (1992) conducted a study to investigate the retention rates of 904 college graduates hired in six public accounting firms over a six year period. The author has taken organizational culture as a dependent variable and to analyze its effects on employee retention. The of organizational culture values on voluntary retention was examined through survival analysis and the statistical analysis used were descriptive statistics and correlations for organizational cultural variables and MANOVA for organizational culture profiles. The author concluded the study by emphasizing that organizational culture has a dominant theme in retention of employees.

Ananthan BR Sudheendra Raa LN (2011) the author high- lighted the multi-tier view of employee retention strategies in Indian and global companies. The study was a descriptive– analysis design using survey method. The study was conducted at bengalure with leading Indian and MNCS employing a minimum of 500 employees stratified random sampling was used and the sample size was 550 of which 215 from top management and 335 were employees. The research finally suggested that orientation and training development strategies obtained maximum points. Rewards recognition strategies employed least and finally employee fringe benefits have been moderately employed.

OBJECTIVES OF THE STUDY:

1. To analyze the factors influencing the retention of employees in an Automobile industries in Chennai.
2. To examine the effect of career development programs in employee retention at automobile industries.
3. To determine the impact of quality of work life balance on employees retention in an Automobile Industries.
4. To understand the impact of job security on retention in an automobile industries.
5. To explain the awareness on job security among employees in automobile industries.
6. To describe the work environmental factors that influences the retention of employees in automobile industries.
7. To investigate the overall satisfaction of employees with relation to benefits provided in an automobile industries.

RESEARCH METHODOLOGY

This study used the descriptive and Convenience sampling method for the research work. The overall intent of this descriptive study was three fold. Relatively, the method is suitable to this study since it aims to describe the present retention practices followed in the Automobile Industry in Chennai city. The technique that was used under descriptive method is the normative survey approach and evaluation, which is commonly used to explore opinions according to respondents that can signify a whole population. Explicitly, two types of direct-data survey are encompassed in this study. These are interview schedule Survey and Direct survey. The direct-data type of survey is a dependable source of first-hand information because the researcher directly interacts with the participants. The determination of employing the descriptive method is to describe the nature of a condition, as it takes place during the time of the study and to explore the reason or reasons of a specific condition. The researcher opted to use this kind of research considering the desire to obtain first hand data from the respondents so as to express rational and sound conclusions and recommendations for the study. Since this study is absorbed on the perception 560 of employee's towards retention practices followed in automobile companies the descriptive method is the most suitable method to use. Therefore a methodical and organized methodology was obtained for the research study. A survey design was used to achieve the needed information. The population for this study encompassed of employees working in various Automobile

companies in Chennai City namely Ashok Leyland Ltd., BMW motors Ltd., Daimler Motors Ltd., Hyundai Motors and Nissan Ltd. A sample size of 540 was chosen for this study. Convenience sampling technique was used to gather data from the respondents, because of which respondents deviated from every age group, gender, organization, marital status and others. The Interview schedule was complicatedly designed to tap the demographic variables including age, education, gender, marital status, and organizational hierarchy of the respondents. Statistical Package for the Social Sciences (here in after referred as SPSS) version 26.0 was religiously used for the statistical analyses.

RESEARCH DESIGN

METHODS OF DATA COLLECTION

Data Collection is a vital aspect of any type of research study. Incorrect data collection can influence the results of a study and eventually lead to invalid results. For this study purpose, the sample data is collected from primary and secondary sources. The primary data were attained through the Interview schedule. The respondents of the primary data constitute the employees of the nominated automobile companies in Chennai City. The Acts relating to employees wage payment and compensation are obtained from

- i. The Factories Act, 1948.
- ii. The workmen Compensation Act, 1923.
- iii. The payment of wages Act, 1936.

The work is established on an empirical study, mainly on Interview Schedule. For this study purpose the employees of Ashok Leyland Ltd., BMW Motors Ltd., Daimler Motors, Hyundai Motors and Nissan Motors Ltd were selected and they were requested to ask in the Interview Schedule associated to the study. Relevant information has also been collected from the Human Resource Management Review, articles and research papers published in various periodicals on the subject from time to time. The statistical data collected from primary sources have been prepared and analyzed by appropriate statistical like Simple Percentage Analysis, Chi-Square analysis, multiple regression models, ANOVA and Cross Tabulation. The employees view about the retention activities were analyzed by grouping the employees on the basis of age, education, organizational hierarchy, gender and marital status of the respondents.

SAMPLE TECHNIQUE

Sample

A sample is defined by Collis and Hussey (2003) as a subset of a Population and should signify the main interest of the study. The researcher selected five automobile Companies namely Ashok Leyland Ltd, BMW Motors Ltd, Daimler Motors, Hyundai Motors and Nissan, based on their Number of Employees. The Convenience sampling method was used for selecting sample and the questions were asked to the selected respondents for survey commencing at 8.00 am, 10 am and 1 pm on Weekdays between Monday and Friday.

DATA COLLECTION INSTRUMENT

The Interview Schedule

According to Collis and Hussey (2003), Interview Schedules are related with both positivistic and phenomenological methodologies. They (Collis and Hussey) define an Interview Schedules as a list of carefully structured questions, chosen after considerable testing, with a view to eliciting reliable responses from a chosen sample.

TECHNIQUES FOR ANALYSIS

The following tools were employed to analyse that data with reference to the selected objectives of the study. Data were processed and analysed using statistical tools like: Percentage Analysis, Weighted Average Score, Descriptive

Statistics Analysis, Cross Tabulation , ANOVA-One Way, Correlation, T-Test (Paired Sample and One Sample T-Test), Chi-Square Test, Regression Analysis.

DATA ANALYSIS AND INTERPRETATION:

Descriptive Analysis of the impact of quality of work life balance on Employees retention in Automobile units

Variables	Number of frequency	Mean	Median	Mode	Sum
My personal life suffers because of work	560	2.1161	2.0000	1.00	237.00
My job makes personal life difficult	560	2.5536	2.0000	2.00	286.00
I neglect personal needs because of work	560	2.2143	2.0000	1.00	248.00
I put personal life on hold for work	560	2.4107	2.0000	2.00	270.00
I miss personal activities because of work	560	2.6339	2.0000	2.00	295.00
struggle to juggle work and non-work	560	2.2589	2.0000	1.00	253.00
I am unhappy with the amount of time for non-work activities	560	2.7232	3.0000	1.00	305.00
My personal life drains me of energy for work	560	2.0982	2.0000	1.00	235.00
I am too tired to be effective at work	560	2.0625	2.0000	2.00	231.00
My works suffers because of my personal life	560	2.4107	2.0000	2.00	270.00
It is hard to work because of personal matters	560	2.7321	3.00	1.00	306.00
My personal life gives me energy for my job	560	2.1607	2.0000	1.00	242.00
My job gives me energy to pursue personal activities	560	2.2054	2.0000	1.00	247.00
I have a better mood at work because of personal life	560	2.5000	2.0000	2.00	280.00
I have better mood because of my job	560	2.7857	3.0000	2.00	312.00

(Source: Primary Data)

Interpretation

From the above table it has been inferred that most of the employees ranked that their personal life suffers because of work and also the feel like very hard work because personal matters. This indicates that employees are more focused towards their personal life which balances their work life in their organization as the key factor so the organization has chosen the best retention tactics to retain its employees.

Monthly Salaries of the Respondents “Nature of the Employment” Educational Qualification of the respondents – Cross Tabulation

			Nature of the Employment			
			Permanent	Contract	Temporary	Total
Education Qualification of the respondents						
SSLC	Monthly Salary of the respondents	Below Rs. 10000	5	5	5	15
		Rs. 10001toRs.20000	0	0	5	5
		Rs. 20001 to Rs. 30000	0	0	10	10
		Rs. 30001 to Rs. 40000	0	0	15	15
		Above Rs. 40000	0	0	20	20
	Total		5	5	55	65

HSC	Monthly Salary of the respondents	Below Rs. 10000	0	10	5	15
		Rs. 10001 to Rs. 20000	15	10	10	35
		Rs. 20001 to Rs. 30000	0	0	0	0
		Rs. 30001 to Rs. 40000	0	5	0	5
		Above Rs. 40000	0	0	5	5
	Total		15	25	20	60
ITI	Monthly Salary of the respondents	Below Rs. 10000	30	50	50	130
		Rs. 10001 to Rs. 20000	0	5	10	15
		Rs. 20001 to Rs. 30000	10	0	5	15
		Rs. 30001 to Rs. 40000	5	15	5	25
		Above Rs. 40000	5	0	5	10
	Total		50	70	75	195
Diploma	Monthly Salary of the respondents	Below Rs. 10000	15	15	25	55
		Rs. 10001 to Rs. 20000	10	10	10	30
		Rs. 20001 to Rs. 30000	10	10	20	40
		Rs. 30001 to Rs. 40000	0	0	15	15
		Above Rs. 40000	5	0	15	20
	Total		40	35	85	160
Engineering	Monthly Salary of the respondents	Below Rs. 10000	5	10	5	20
		Rs. 10001 to Rs. 20000	10	5	0	15
		Rs. 20001 to Rs. 30000	0	5	0	5
		Rs. 30001 to Rs. 40000	0	0	0	0
		Above Rs. 40000	0	0	5	5
	Total		15	20	10	45
Graduate	Monthly Salary of the respondents	Below Rs. 10000	5	0	30	35
		Rs. 10001 to Rs. 20000	0	0	0	0
		Rs. 20001 to Rs. 30000	0	0	0	0
		Rs. 30001 to Rs. 40000	0	0	0	0
		Above Rs. 40000	0	0	0	0
	Total		5	0	30	35
Total	Monthly Salary of the respondents	Below Rs. 10000	60	90	120	270
		Rs. 10001 to Rs. 20000	35	30	35	100
		Rs. 20001 to Rs. 30000	20	15	35	70
		Rs. 30001 to Rs. 40000	5	20	35	60
		Above Rs. 40000	10	0	50	60
	Total		130	155	275	560

(Source: Primary Data)

Interpretation:

From the above table it has been inferred that the most of the employees who qualified ITI qualified and Diploma getting more salary form the organizations. The remaining categories of employees who have been qualified like Engineering, Graduate, HSC and SSLC are getting moderate level salary in the organizations. This clearly shows that the Organization has maintained good Monthly Salaries of the Respondents “Nature of the Employment” Educational Qualification of the respondents.

DISCUSSIONS & CONCLUSION

Both the variables Working Environment and Organization Culture are highly significant in determining job satisfaction. Health & Safety Measures is the main influencing variable and Rewards & Recognition is the next

influencing variable. Organization Culture is the main influencing variable and Working Environment is the next influencing variable. There is no association between gender and Length of service in the present organization. There is significant association between organizational hierarchy and length of service. Thus the organizations have adopted best employee retention practices so that is able to retain its employees. Few suggestions have been provided for the organization to make retention more effective.

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