

Employee Retention for Sustainable Development in the 21st century

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Abstract- Retention of knowledge workers is a matter of serious concern to managers in the face of ever increasing high rate of employee turnover in the 21st century. Thus there is a need to study the factors behind employee turnover and retention. This paper is based on the comparative study of two companies in the IT sector- Wipro & Infosys. Secondary data has been used for the study. This article will serve as a good piece of contribution for further study.

Keywords- Employee Retention, Secondary data, Employee Turnover.

I. INTRODUCTION

Employee retention refers to the ability of an organization to retain its employees. Employee retention can be represented by a simple statistic (for example, a retention rate of 80% usually indicates that an organization kept 80% of its employees in a given period). "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Worldwide, retention of knowledge workers has been of serious concern to managers in the face of ever increasing high rate of employee turnover. Today's business environment has become very competitive thus making

Knowledge workers the major differentiating factor for most organizations. Organizations depend on the expertise of their employees in order to compete favorably and indeed gain competitive advantage in the international market. However, recent studies have shown that retention of knowledge workers has become a challenging task for managers as this category of employees are being lured by more than one organization at a time with various kinds of incentives. With this, organizations will lose key employees to competitors until managers are able to identify and apply appropriate retention strategies.

II. REVIEW OF RELATED LITERATURE

Hendricks (2006) noticed that employees with scarce abilities are in extraordinary interest by the associations and are getting to be hard to source. At the point when these classes of employees are in the long run sourced, they turn out to be significantly more troublesome for associations to hold. It is not just the private association that is thinking that its troublesome holding profoundly talented employees.

Exact concentrates, for example, Stovel and Bontis (2002) have demonstrated that employees, by and large switch bosses at regular intervals. This circumstance requests that administration ought to distinguish the reason/s for this continuous change of job by workers. Once this reason/s has been distinguished, administration can then gadget maintenance procedures that will help in keeping vital workers for a fairly more residency. Organizational performance (Stovel and Bontis, 2002), high turnover can be impeding to the association's profitability. This can bring about the loss of business support and connections, and can even endanger the acknowledgment of authoritative objectives. Then again, Abassi and Hollman (2000) contend that broken turnover (that is, great entertainers leave, terrible entertainers stay) harms the association through diminished development, deferred administrations, disgraceful usage of new projects and deteriorated efficiency. Such exercises can profoundly influence the capacity of associations to flourish in today's aggressive economy, leaving even the most aspiring associations not able to succeed because of their failure to hold the right workers (Stovel and Bontis, 2002). Beri G.C., Human Resource Tata McGraw New Delhi, in his study on the reason for component affecting turnover and maintenance of staff and maintenance issues for expert have discussed the Working hours, workload and work routines which are likewise normal worries to both gatherings. Also, vocation advancement, advancement and valuation for commitment were critical maintenance components, while a steady proficient environment, diminishment in workload and working hours and more adaptable work examples were essential to experts.

III. CAUSES OF EMPLOYEE TURNOVER IN WIPRO TECH LTD

1. Better pay - the most common reasons for leaving is the easy availability of higher paying jobs.
2. The performance of the organization - an organization in economic difficulty will also raise the chances of layoffs.
3. The organizational culture - the reward system, the strength of leadership, the ability of the organizations to educe a sense of commitment on the part of workers, and its development of a sense of shared goals influence the turnover rate.
4. The characteristics of the job - some jobs are intrinsically more attractive than others. A job's attractiveness is affected by many characteristics, including its repetitiveness, challenge, danger, importance, status and capacity to educe a sense of accomplishment.
5. Unrealistic expectations - Another factor is the unrealistic expectations and general lack of knowledge that many job applicants has about the job at the time of appointment. When these unrealistic expectations are not realized, the worker decides to leave the organization.

IV. CAUSES OF EMPLOYEE TURNOVER IN INFOSYS

Mostly environmental factors contribute to employee turnover. Turnover tends to be higher in organization's environment where employees where they feel undervalued or ignored, and where they feel unimportant. Clearly, if managers are dictators, and demanding, there is greater risk of turnover. Management policies can also affect the environment in basic ways such as whether employee benefits and incentives appear kind or ungenerous, or whether the company is responsive to employees' needs and wants. Mergers & acquisitions or layoffs also influence on the work environment.

Sometimes there is demographically specific turnover, especially for women who are balancing work and family duties at the same time. Such women (or men) may choose to leave a company instead of sacrificing their other interests and responsibilities in order to make the job work out. Some women leave their jobs at childbirth, rather than simply taking a maternity leave.

Career path of women is also affected by glass ceiling, which lowers their level of diligence and commitment to any organization as they believe that they are not considered for higher level posts. These factors are the major contributors into higher turnover rates for women in many companies.

Retirement of experienced employees can cause high rates of turnover and extreme loss in productivity.

V. MEASURES TO IMPROVE EMPLOYEE RETENTION

The following components will improve the level of retention:

1. Job previews - give prospective employees a 'realistic job preview' at the recruitment stage. So that they don't make any imaginary expectations out of a certain job.
2. Make line managers accountable - Reward managers with a good record for keeping people by including the subject in appraisals. Train line managers in people management and development skills before appointing or promoting them. Offer re-training opportunities to existing managers who have a high level of turnover in their team.
3. Career development and progression - maximize opportunities for individual employees to develop their skills and move on in their careers. Make the work more interesting & challenging.
4. Consult employees - ensure that employees have a 'say' through consultative bodies, regular appraisals, attitude surveys and grievance systems.
5. Be flexible – Wherever possible, flexi-time should be kept for the employees.
6. Job security - provide as much job security as possible.
7. Treat people fairly - A perception of unfairness, whatever the reality when seen from a management point of view, is a major cause of voluntary resignations.
8. Maintain Confidentiality - Keep internal e-mail addresses confidential, refuse to do business with agents who have poached your staff, and enter into agreement with other employers not to poach one another's staff.

Employee Retention Strategies at Infosys

Infosys has implemented employee engagement strategy to retain its employees to ensure the implementation of sustainable development in the entire Organization. The following are the different employee engagement strategies implemented at Infosys to ensure employee retention and thus sustainable development.

Employee Engagement Strategies at Infosys:

- Our Corporate Channel, Infy TV
 - Our Intranet, Sparsh
 - Sustainability portal
 - Mailers
 - Eco Clubs
 - Employee Committees
 - Employee Clubs
 - Communication Design Group

VI. EMPLOYEE-RETENTION STRATEGIES:

1. Recognize your impact as a manager

As an office manager, you must specifically communicate to employees that you appreciate their contributions, rather than talking to them only when they do something wrong.

2. Implement effective work/life programs

More and more organizations are looking to work/life programs to help employees cope with workplace stress.

3. Provide personal productivity training

Through proper productivity training, many people who work a 50-hour week can achieve those same results in 40 hours.

Both sides (employer & employee) benefit from this win-win productivity proposition.

4. Establish constructive Human Resources policies

The methods described below can be technical and often have legal consequences, so you should consult with HR and legal resources before implementing these policies.

Salary-level caps

Structure pay levels by job categories so that long-term employees don't price themselves out of their jobs.

Phased-in benefit plans

Establish retirement plans that aren't fully vested until employees have many years on the job. This encourages people to stay. For example, an employee is 25% vested after two years, 50% after five years, and 100% after 10 years. Also award additional vacation time for each year an employee is with the company.

Performance-based salary increases

Establish regular monitoring of the performance of employees that help you retain desirable employees. Frequent reviews and positive reinforcement reward and encourage high-performing employees.

Comparative Study of Both the Companies

Through the comparative study of both the companies, it is concluded that both the companies are facing the problem of employees turnover because of the pay is too low, lack of benefits ,tasks are too repetitive circumstances listed above such as family, school, or moving, poor management ,lack of advancement, burnout, less recognition, less or no appreciation for work done, less growth opportunities, poor training, poor supervision, Less work and life balance practices which are almost the same in both companies.

VII. CONCLUSION

1. Removal of biasness which create unfair workplace environment.
2. To conduct workers satisfaction survey, to identify specific problem area and to improve the same.
3. There is requirement to reduce workload and changes in working hours by introducing flexi-time policy.
4. To provide a challenging & interesting job and offering genuine promotion opportunities.
5. To help employees learn to achieve the same results in less time by productivity training.
6. Provide job security as much as possible.
7. Frequent monitoring and positive reinforcement reward and encourage high-performing employees.
8. Multiply opportunities for individual employees to develop their skills and to move on in their careers.
9. Offering employees an affordable medical, dental, and vision package.

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