



## A STUDY OF EMPLOYEE RETENTION IN CEMENT INDUSTRIES IN CHANDRAPUR REGION

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### **Abstract**

Employers have a need to keep employees from leaving and going to work for other companies. This is true because of the great costs associated with hiring and retraining new employees. The best way to retain employees is by providing them with job satisfaction and opportunities for advancement in their careers. The saying, good help is hard to find, is even truer these days than ever before because the job market is becoming increasingly tight.

Employers are fighting to get talented employees in order to maintain a prosperous business. Researchers believe that, there is a straight line between employee satisfaction and customer satisfaction. They believe that today's employees pose a complete new set of challenges, especially when businesses are forced to confront one of the tightest labor markets in decades. Therefore, it is getting more difficult to retain employees, as the pool of talent is becoming more and more tapped-out. The research below, which focuses primarily on employee retention through job satisfaction, supports this contention. Employees that are satisfied and happy in with their jobs are more dedicated to doing a good job and taking care of customers that sustain the operation. Job satisfaction is something that working people seek and a key element of employee retention.

**Keywords:** *Employee Retention, Cement Industries, Chandrapur.*

### **Introduction**

Organization runs with the help of people who contribute in their own way to accomplish tasks and achieve goals of the organization. The individuals who spend their maximum part of the day at the workplace, striving hard to reach to a conclusion benefiting them as well as the organization are called as employees. In a layman's language employees are the lifeline of an organization. A human being would die if there is no blood in his body, similarly an organization can't survive without employees. Employees are the main assets of the organization and it is really important for them to prioritize their tasks at the workplace. They should think about their company more than anything else. To extract the best out of each team member, it is important that they enjoy their work and feel attached to the organization. An employee must be committed towards his organization for him to deliver his best and remain motivated.

The employees must be retained with the organization for the individual and industrial growth of organisation. An employee must be retained in his work for maximum output.

### **Literature Review**

Lambert (1998) examined that correctional staff was the most important asset for any correctional agency. Many staff, however, voluntarily quit. The cost of this turnover is high for correctional organizations. A causal model for correctional staff voluntary turnover is developed and presented to guide future research.

Behr et al (2003) analyzed the extent and determinants of panel attrition in the European Community Household Panel (ECHP). They found the extent and determinants of panel attrition to reveal high variability across countries as well as for different waves within one country. Differences were also found when comparing attrition behaviour across different surveys running parallel in the same countries, as was the case for Germany and the United Kingdom (UK).

Hickman and Colonel (2003) addressed the trend, in recent decades, of increased Army enlisted attrition by reviewing the existing facts regarding attrition. Of greatest concern was attrition from Initial Entry Training (IET) as well as first-term attrition. Although the overall attrition rate came down to 30% in 2003 from its peak of 37%, for enlistees entering service in the Fiscal Years 1994 and 1995, the rate remained very high.

Buckley (2004) studied that the attrition of both new and experienced teachers was a great challenge for schools and school administrators throughout the United States, particularly in large urban districts. Because of the importance of this issue, there is a large empirical literature that investigates why employees quit and how they might be better induced to stay. They found that facility quality is an important predictor of the decision of employees to leave their current position.



### Objectives

1. To explore what types of benefits those are most important for employee retention in the cement industries workforce in Chandrapur region.
2. To assess the factors that influence employee retention in cement industry of Chandrapur region.

### Research Methodology

Present Study is descriptive in nature. primary data is collected from cement industries to reach to the conclusion.

The statistical tools implemented in this study are

1. Reliability Test Analysis: Cronbach's alpha reliability test is used to check the internal consistency of items under consideration of a subject.
2. Validity Test Analysis: Data preprocessing is performed to check any outliers falling beyond 1-5 rating against each factor response and to fill the missing values of the responses by using KNN technique.
3. Co-linearity test: As to identify the relation-ship between the various parameters and their total effect by using bi-variate correlation.
4. Descriptive Analysis: Graphical tools of bar charts are used to identify the trend on each item under consideration.
5. Inferential Analysis: Hypothesis testing is conducted using One Way ANOVA Test, Correlation and Linear Regression for given five dimensions viz., Organizational Performance, Communication, Organizational Culture, Policies & Procedures and Recognition & Reward.

### Results & Discussion

Majority of the respondents from shop floor employee (38.5%) and from Supervisor & Managers (42.2%) agree that their organisation is selling their products and services as per predefined target and also 24.8% of the shop floor employee strongly agree to this and 10.9% of Supervisors & Managers also strongly agree to this. This shows that their organisations performance level is better which motivates them to stay in the organisation for a longer period.

Out of the total respondents, majority (52.5%) shop floor employees and majority (48.4) of supervisors & Managers agree that their company is gaining profit as per predefined targets. This helps the organisation in recognising the work of the employees and thus helps the employees to achieve motivation. Increased motivation helps the organisation to reduce the level of employee turnover in the organisation.

Out of the total respondents, majority of the respondents both from shop floor employees (51.1%) and from Supervisors and Managers (56.3%) agree that their organisation is facing the competition very well. Ability to face competition indicates that, organisation has sufficient resources in hand as well as the management has all the skills that helps the organisation to grow under stiff competition. This factor helps the organisation to keep their employees motivated and also helps in controlling the employee turnover.

Out of the total respondents, majority i.e. 53.2% of Shop floor employees and 59.4% of supervisors & Manager agree that their company is producing the goods as per predefined targets. It means that their organisation is achieving its objectives and goals well. Only 18.3% of shop floor employees and 5.6% of supervisor & Manager level employees disagree to this.

Having a motivated and satisfied is a boon for any organisation. It is said that satisfaction encourages creativity since a satisfied employee is free of negative thought and helps the organisation in achieving its targets in an innovative way. During the research, it was found that majority of the respondents, i.e. 40.8% shop floor employees and 34.4% supervisors & managers agree that that they are satisfied with their company's performance. However, 20.4% of shop floor employee and 25% of supervisors & managers said they are not satisfied with the performance of their organisation.

Majority, i.e. 42% of the shop floor employees and 34.4% of supervisor & Managers agree that they would like to work with their company because they are seeing their own growth with the company's growth, which is supported by 6% of shop floor employees and 6.3% of supervisor & Manager who strongly agree to this. However, 24.3% of shop floor employee and 29.7% of supervisor & manager disagree to the above statement.

It was found from the research that majority of the shop floor employees as well as supervisor & Manager are working with company from more than 5 years. This shows that there is lot of belongingness among the employees towards the organisation and there is high retention among the employees.

Majority i.e. 37.8% of shop floor employees and 39.1% of supervisor & manager agree that their reporting authority communicates with them about action taken on their feedback/complains. However, 28.7% of shop floor employees and 31.3% of the supervisor & managers do not agree to the above statement. This shows that the feedback of employee is taken



into consideration and the actions are also communicated to the employees. Hence, this proves to be the motivational factor for the employees and boosts their morale as well as develops the feeling of belongingness among them.

Out of the total respondents, majority i.e. 37.4% of shop floor employees and 34.4% of supervisor & manager agree that their reporting authority explains the job responsibilities properly. 5.3% of the shop floor employees and 3.1% of supervisors & managers strongly agree to this. However, 25.9% of shop floor employees and 26.6% of supervisors & managers do not agree to the above fact.

Majority of the respondents, i.e. 43.1% of shop floor employees and 42.2% of supervisors & managers agree that their reporting authority communicates the company's financial status regularly to the employees. However, only 16.5% of shop floor employees and 20.3% of supervisors & managers do not agree to the above statement.

Majority of the respondents, i.e. 46.6% of shop floor employees and 42.2% of supervisors and managers agree that their reporting authority uses appropriate body language while talking to them. This helps them to properly understand what their reporting authority wants to communicate to them. Only 19.7% of shop floor employees and 21.9% of supervisors & managers do not agree to the above fact.

Out of the total respondents, majority i.e. 34.6% of shop floor employees and 29.2% of supervisors and managers agree that their reporting authority uses appropriate tone while talking to them. Using a soft tone helps the employees in bridging the gap between them. However, 31.3% of the supervisor & managers and 24.1% of the shop floor employees do not agree with them.

Out of the total respondents, majority i.e. 35.3% of shop floor employees and 32.8% of supervisors and managers agree that their reporting authority communicates with them in respectful way. Giving respect to employees helps the employees in boosting their morale. However, 37.5% of the supervisor & managers and 26.6% of the shop floor employees do not agree with them.

Out of the total respondents, majority of the respondents i.e. 36.7% of shop floor employees and 31.3% of supervisor & managers agree that their organisation treats their employee positively, also 14.9% of shop floor employees and 15.6% of supervisors & managers strongly agree to this. However, 26.8% of shop floor employees and 28.1% of supervisors & managers neither agree nor disagree to this. Whereas, 17.7% of shop floor employees and 20.3% of supervisors & managers disagree to above statement and remaining 3.9% and 4.7% of shop floor employees and supervisors & managers respectively strongly disagree to above fact.

Out of the total respondents, majority of the respondents i.e. 45.4% of shop floor employees and 42.2% of supervisor & managers agree that their organisation treats their customers with honesty, also 9% of shop floor employees and 10.9% of supervisors & managers strongly agree to this. However, 19% of shop floor employees and 18.8% of supervisors & managers neither agree nor disagree to this. Whereas, 20.6% of shop floor employees and 23.4% of supervisors & managers disagree to above statement and remaining 5% and 4.7% of shop floor employees and supervisors & managers respectively strongly disagree to above fact.

### **Hypothesis Testing**

Following Hypothesis were set for the study

H0: There is no relationship between employee retention and organizational performance

H1: There is strong relationship between employee retention and organizational performance

### **Analyzing the impact of Organizational Performance with Employee Retention:**

Employee Turnover is constituted by Organizational performance; hence regression equation can be framed as follows:

$$Y = + X$$

Where,

X1 = Organizational Performance; Y = Employee Retention

To test the above model linear regression test is applied using SPSS where Employee Retention is taken as dependent factor and factors indicating Organizational performance as independent variables. By analysis following tables were obtained:



Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.808 <sup>a</sup>	.812	.810	1.00033

a. Predictors: (Constant), Organizational Performance

From the above table the R square value is .812 and adjusted R square value is .810 and this enlighten us that the model account for 81% of variance in the employee turnover study. This is the clear indication that this model is a very good model. Also the R value is 0.808 which states that there is a strong relationship between employee turnover and organizational performance

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.874	1	5.874	5.870	.016 <sup>b</sup>
	Residual	498.326	498	1.001		
	Total	504.200	499			

a. Dependent Variable: Most of the company's employees are working with the company from more than 5years  
b. Predictors: (Constant), Mean Organizational Performance

From the above ANOVA table, it is inferred that the F value is 5.870 and the significance is .016. As the significance is less than .05. It clearly reveals the fact that the model which is taken for study is statistically significant. Hence the hypothesis i.e. There is no relationship between employee retention and organizational performance is rejected and the alternate hypothesis i.e. There is strong relationship between employee retention and organizational performance is accepted.

### Conclusion

The present study proves that employee retention is very important for organisational growth. It is understood that satisfied employees plays a vital role in organisational development. However, keeping employee satisfied is a tough & challenging task. Cement industries are facing lot of challenges in reteneing the employees. However, it is the fact which is coming out from the present research that there is strong relationship between employee retention and organizational performance.

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