ANALYSIS OF KEY FACTORS OF EMPLOYEE RETENTION: A STUDY OF SELECTED ORGANIZED RETAILER IN LUCKNOW CITY

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Abstract

With the increasing attrition in organizations especially in Retail Sector Organization, it has become a question of study. Employee retention is beneficial for the organization as well as to the employee. This paper deals with factors that are affecting the retention of employees in Retail Sector Organization in Lucknow and its impact on the Organization. The introduction to retention provides the theoretical base to build the project upon, and also to better understand the significance of the subject, highlighting the need for the organizations today to be more proactive in retaining their employees.

Retail is India's largest industry. A number of factors are driving India's retail market. These includes increase in the young working population, hefty pay-packets, nuclear families in urban areas, increasing working-women population, increase in disposable income and customer aspiration, increase in expenditure for luxury items, and low share of organized retailing. The survey has also brought out the attempts made by the organizations towards building up of work environment focusing on employees, their morale, motivation, satisfaction and ability and willingness to be highly productive. The money factor has also been considered to understand the organization's approach towards developing their employee retention strategy around compensation, bonus and incentives etc.

The rapid growth of retail sector is the major concern of employee's retention problem because employees now have immense opportunity in their service period. Youngsters join the retail industry at lower salaries, get some much-needed experience and then move on to better jobs or back to school. The objective of this paper is to find out the various reasons why employees leave the job and suggest recommendation for employees' retention in retail sector. The present paper uses Factor Analysis methodology for identifying the major factors relating to employee retention.

KEYWORD: Employee Retention, Satisfaction, dissatisfaction, factor analysis, Compensation, Growth, Support, Relationship

INTRODUCTION

Philosophically, employee retention is important; in almost all cases, it is senseless to allow good people to leave your organization. When they leave, they take with them intellectual property, relationships, investments (in both time and money), an occasional employee or two, and a chunk of your future. Employee Retention Strategies helps organizations provide effective employee communication to improve commitment and enhance workforce support for key corporate initiatives.

Effective employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs. A strong retention strategy becomes a powerful recruitment tool.

Reduce attrition rate: Strategies used to retain employees in the organisation will help to reduce it's labour turnover ratio in the organisation which is very helpful for company's development.

Reduces Cost: Employee retention strategies will reduce the recruitment and training costs incurred for appointing new employee in the place of exited employee.

Good will: Company with best employee retention strategies have good brand image in the eyes of public. This help in attracting and retaining best employees.

Workers productivity: Efficient employee retention strategies will increase the productivity of employees

which in turn increases the productivity of whole organisation. Important employee retention strategies to every organisation:

1. Right Candidate for right Job: Firstly, employer should hire right candidate for right job at right time and at right place. So chances of employee leaving the job are less.

2. Work life balance: Every organisation must provide its employees with right kind of working environment it improves their productivity, morale and satisfaction level. And also work life balance.

3. Employer-Employee relationship: Every organisation should maintain good relationship with its employees to reduce conflicts and improve the communication between them.

4. Individual growth in the organisation: Giving promotions to employees performing well will boost their confidence and makes all the employees to perform effectively.

5. Monetary and non- monetary benefits: Company should pay employees based on their performance. Pay for performance can be implemented. And give them bonus and increments if they perform beyond expectations.

Literature Review

Hannay & Northan (2000) argued that future opportunities for the employees also help in retaining employees because these opportunities are associated with more pay, additional work responsibilities, superior work environment and different incentives plans. Money is not sole factor but it has significant effect while recruiting the employee. Hansen (2002) argued that pay more to the employees in order to achieve better financial position and retain those employees who lead from the front to attain business goals. Short and long term incentives should be given according to the goals of business that will help to have more organized and strong management team for long term results.

Firth et al (2003) found that job stressors (example work overload, job ambiguity) are the factors that trigger the chain of psychological states that lead to intention to quit. They suggested that supervisors support can reduce the impact of stressors on psychological states an intention to quit.

Monitoring workloads & supervisor-subordinate relationships by management may not only reduce stress but increase job satisfaction & commitment to the organization. Vos & Meganck (2009) indicated that

career development plan for the employees play a vital role in the retention of employees. Providing these career development opportunities restrict employees from leaving the organization and increase in loyalty.

Dr. Sohail Nadeem , Muneer Ayasha & et al (2011) suggested that career path is most valuable factor that employees look for, to work in the organization. The leading reasons for quitting the job are - culture, recognition, environment, policies of the organization and the relationship with company and co-workers. Priya (2011) found that in retail sector the males are in large extent & males are having more responsibility as compared to females, they are very much not satisfied with their job are the most prominent reason for employee turnover, which creates problem in the execution of retention strategies.

This research also suggested that attractive compensation packages should be provided both direct (salary & bonuses) as well as indirect payments (paid vacations, health & life insurance & retirement plans).

Overview of Retailing

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space.Indian Retail Industry has immense potential as India has the second largest population with affluent middle class, rapid urbanization and solid growth of internet.

The Indian retail sector is the largest sector among all the industries accounting nearly over 10% of India's GDP and more than 2.5 million employment opportunities. The retail sector is one of the fastest growing sectors in India with several players entering the market. But not everyone could taste the success because of huge capital investments that are required to compete with other similar companies.

The Indian retail sector has undergone tremendous changes in last decade. It has witnessed huge improvements in political, social and economic environment which ahs directly or indirectly affected the consumption pattern. The modern retail sector in India is featured with sprawling shopping centers, multiplex –malls and huge complexes offering food, entertainment and shopping all under one roof, the entire concept of shopping has been altered in terms of the formats and the mindset of consumers, creating a

revolution in Indian shopping. The term retailing is the transaction between the seller and consumer for personal consumption .It does not include transaction between the business or when the purchase is for re selling. The retailers purchases goods from the manufacturer and sell the goods to end consumers for final consumption for a profit. The retailer is last point in the supply chain and performs various important functions like providing valuable information to manufacturer about the product and creates various utilities for the consumers.

Retailing itself can be further divided into organized and unorganized sector.

Organized Sector: The total concept and idea of shopping has undergone a drastic change in recent years. Modern retailing has entered into the Indian retail market. The growth of organized retail sector is a result of higher growth in Indian economy, which has resulted in greater purchasing power among the Indian population. Factors like knowledgeable consumers, huge investments by venture capitalist and entry of retail giants have also contributed to the growth of Indian retail sector.

Unorganized sector: In India the unorganized sector remains dominant as it enjoys many advantages. The major advantage is the low operating cost and less investment required as it directly creates an impact on the pricing of the products. The unorganized retailers are offering great opportunities for modern retailers for opening stores in rural areas.

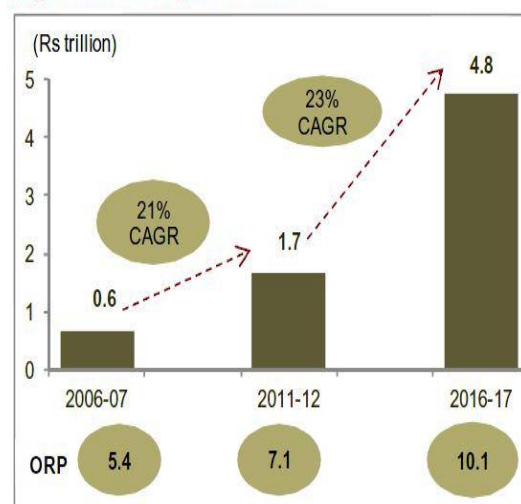**Retail Sector an Overview**
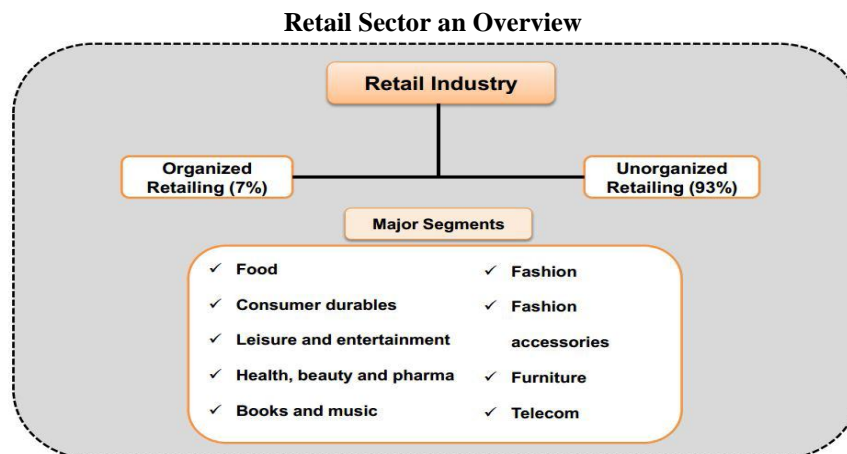
There is a huge change in life styles, income and demographic variables in Indian democracy in recent times. This has resulted in huge impact on organized retailing. Indian retailing is expanding and is expected to reach at US$637 billions by 2015.

Market Size

India's retail market is expected to grow at a Compound Annual Growth Rate (CAGR) of 10 per cent to US$ 1.6 trillion by 2026 from US$ 641 billion in 2016. While the overall retail market is expected to grow at 12 per cent per annum, modern trade would expand twice as fast at 20 per cent per annum and traditional trade at 10 per cent#. Indian retail market is divided into "Organised Retail Market" which is valued at $60 billion which is only 9 per cent of the total sector and "Unorganised Retail Market constitutes the rest 91 per cent of the sector.
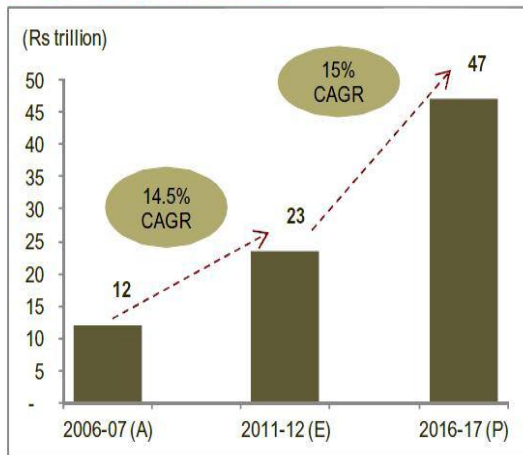
"Organised Retail Market"

Overall retail growth in India

E: Estimate, P: Projected
Source: CRISIL Research

Related studies done in Retail Industries in other parts of the world

Researcher (s)	Variables Discussed
Teck-Hong and Waheed (2011)	Motivation, Job satisfaction, Working condition, recognition, reward scheme
Tay (2011)	Decision making, training program, fair rewards
Reddy and Chandra (2011)	HR practices, employee satisfaction
Akter (2012)	Employee satisfaction, reward system
Ming, Ziviak and Ljubicic (2012)	Salary, employee turnover
Puri (2013)	Emerging retail trends
Larsen Consultant	Employee satisfaction in the work place,

(2013)	other career paths, insufficient compensation, frustration with management
Bhatla and Pandey (2014)	Attraction, retention, knowledgeable human resource
Sultana (2014)	Recruitment, selection, performance appraisal, training and development,compensation, career planning

Following are some features & benefits of retention management strategies:

1. Feeling of being valued by the employer.
2. Enhances motivation, morale & desire to work with dedication & with interest.
3. Reduces the problem of high attrition rate.
4. Increases the high productivity & / or production.
5. Highly satisfied employees will be present in the organization.
6. Enhances the Goodwill of the organization.

Why Retention Management?

Basis	Organization
Who will look after?	HR Manager & Top management of the companyare accountable & responsible.
For Whom to be done?	For retaining the key employees for achieving the organizational goal.
Why it is important?	Mutual Success of the organization.
When should be done?	Regularly. It is a continuous process involved in decision making, Training & development , in each & every activity of the organization such Communication, Transparency, Involvement in decision making, Training & development

Source: Author's Own View - (Importance Of Retention Management)

Employee Retention Strategies of Roger E. Herman

Sl. No	Category of strategies	Strategies under the Category
1	Environmental Strategies	1. Share a Common Vision.
		2. Value Each Individual
		3.Work together as a Team
		4. Loyalty is a two-way Relationship
		5.Enthusiasm is justified and appropriate
		6.We are all here for the Customer
		7. Have a set of Guiding Principles
		8. Offer stability, security, risk, as Needed
		9. Prohibit Discrimination of any Kind
		10. Eschew profanity
		11. Be Fair and Honest
		12. Facilitate a Family Feeling
		`13. Value professional Standing
		14. Promote integrity
		15. Encourage Camaraderie
		16. Promote a Healthy Working Environment
		17. Insist on Work[;lace Safety

		18. Avoid Stupid Rules
		19. Provide Flexibility in Working Hours
		20. Apply Progressive Discipline Fairly
		21. Make Work Fun
		22. Celebrate Achievements, birthdays, etc.
		23. Don't tolerate, remove Unsuitable People
		24. Conduct Exit Interviews
		25. Establish Clear Policies
		26. Administer policies Uniformly
		27. Provide advancement opportunities, promote from within
		28. Give permission to Fail or succeed
		29. Management Commitment: people are our most importing resource
		30. Share information
		31. Value all your people
		32. Respond to Complaints with solutions
		33. Within safety constraints, permit refreshments at work
		34. Use your business plan
		35. Offer freedom of choice: break times, dress, vacations
		36. Choose employees carefully the first time
		37. Locate your company in a suitable Environment
		38. Encourage people to personalize their work areas
		39. Eliminate reserved personal parking
		40. Provide effective communications systems
		41. Equip people to be productive
		42. Provide for appropriate child care services
		43. Maintain comfortable atmosphere conditions
		44. Use color constructively in decoration
		45. Provide a safe, secure environment.
2	Relationship Strategies	i. Understanding Behavioral style
		ii. Appreciate values and ethical standards
		iii. Resolve conflicts
		iv. Hold Regular Meetings of your team members
		v. Call spontaneous meetings
		vi. Facilitate open communication
		vii. Stick to your people
		viii. Give recognition strategically and deliberately
		ix. Recognize the "new woman"
		x. Recognize other "special employees"
		xi. Be patient
		xii. Show respect for others
		xiii. Give people freedom and flexibility
		xiv. Trust your people
		xv. Show genuine, sincere appreciation
		xvi. Listen
		xvii. Let people be who they are
		xviii. Find opportunities to talk with people
		xix. Balanced praise and criticism
		xx. Build everyone's self esteem
		xxi. Don't gossip
		xxii. Look for positives, not negative.
		xxiii. Express confidence
		xxiv. Enable people to be together
		xxv. Care about people as individuals
		xxvi. Be accessible
		xxvii. Have a sense of humor

		xxviii. Set an example
		xxix. Show leadership at the top of your organization
		xxx. Reduce stress. Keep anxiety to stay sharp
		xxxi. Don't question or second-guess people all the time, and Be firm and fair.
3	Task-focused Strategies	1. Give people real things to do
		2. Provide challenges
		3. Fight frustration
		4. Remove barriers to accomplishments
		5. Adjust jobs to fit strengths, abilities and talents
		6. Empower people to work as tea,
		7. Mickey mouse should be fun, not fundamental
		8. Keep the promises you make
		9. Provide the resources to get the job done
		10. Avoid rejection, raw criticism, humiliation
		11. Encourage and welcome new ideas
		12. Define responsibilities
		13. Define accountabilities
		14.Define authority
		15.Encourage initiative
		16.Inspire and enable creativity and innovation
		17.Establish limits, parameters
		18.Know what your people are doing
		19.Respond when people ask for approval or guidance
		20.Give clear direction
		21.Get people involved
		22.Reduce reporting requirements
		23.Don't look people' shoulders
		24.Don't keep people overtime without previous notice
		25.Appreciate routine work
		26.Enter into performance contracts
		27.Fight boredom
		28.Design tasks to meet personal needs
		29.Give people a break, and
		30.Give specifics in performance feedback.
4	Compensation Strategies	a) Present the full value of compensation
		b) Provide linking incentive opportunities to all
		c) Link performance with rewards
		d) Leverage the total cash compensation for
		e) Design reward system for employee involvement
		f) Compensate high potential/low skill employees
		g) Use flexible benefits in a changing workforce, and
		h) Consider ESOPs and employee stock Ownership.
5	People Growing Strategies	1) Give people challenging responsibilities
		2) Support formal education
		3) Offer learning materials for personal growth
		4) Connect with outside resources for learning
		5) Send people to outside seminars
		6) Have learners pass their training along to others
		7) Help people grow into bigger jobs
		8) Enable people to discover the wealth of talents
		9) Assign special projects
		10) Build competency deliberately, and
		11) Provide incentives.

Research Methodology
Objectives of the study:
Objectives of the study includes:-

1. To identify & analyze the various factors affecting employee retention in the retail sector. 2. To give shed light on the importance of Retention management.

3. Study suggested some strategies to retain key employees of the organization

Study Design: A descriptive research design was used in this study. This involved a field survey where the Researcher went to the population of interest for them to describe and interrupt problem that are typical of normal conditions, attitudes, beliefs, practices and targets/aims to establish the status of the problem under investigation.

Target Population
The target population for the proposed research question consists of employees working in the retail industry of Lucknow.

Target Population

Category	Percentage
Top Managers Depart heads	1.15%
Middle level FUMs & Asst	7.39%
Section (Supervisors)	28.4%
Junior Management Staff	40.95%
Clerical/Subordinate cadre	22.16%
TOTAL	100%

Sample Design

Category	Ratio	Sample size (%)
Top managers (department heads)	0.3	0.4%
Middle level FUMs & Asst Heads	0.23	1.7%
Section (Supervisors)	0.16	4.5%
Junior management staff	0.24	9.9%
Clerical\ subordinates cadre	0.38	8.5%
Total	1.31	25%

Collection of Data
This research study used quantitative method for data collection. Because this method allows testing theories and hypotheses, collect large number of data, which is more appropriate to answer the question, similarly this method is more objective and reliable yet not influenced by the personal opinion of the researcher in representing the phenomena. This method allowed researcher to restructure complex problem to a limited number of variables and supports understating the predictors of the result (Creswell, 2013).

Research Questionnaire
According to Goulding (2005) there are three ways to design target question - to use questions already exist in other established questionnaires, adapt questions already used in other questionnaires or design new..The questionnaire was formatted in English language, kept simple and easy to answer with a likert scale of 5 so that the response rate could be increased. Those are

1-strongly agree, 2- agree, 3- neither agree nor disagree, 4- disagree and 5- strongly disagree.

Source: Adopted from various sources

Sample Size and Sampling Method
The study is a cross – sectional research and therefore primary sample was used. This is a form of quantitative sampling, which is normally used, in descriptive research (Cho & Park 2013) where the researcher collects sample from A total of 140 questionnaires were distributed and a total of 127questionnaires were returned. However, among these returned questionnaires some of the questionnaires were excluded because it was incomplete which means 127 completed questionnaires were used (sample size is 127). The respondents were employees currently working in the retail industry.

Data Analysis Plan
In order to analyze the data the descriptive statistics of the questionnaire were acquired from SPSS in order to find out the normality of the questionnaire based on the skewness and the kurtosis statistics.

Hypothesis testing
Career Development and employee retention
H1: Improved career development practices have a significant and positive influence towards employee retention.

Training and Development and employee retention
H2: Increasing training and development opportunities has a significant and positive influence on employee retention

H3: The combined effects of training and development along with career development opportunities have a significant and positive impact on employee retention.

Performance Appraisal and Employee retention
H4: Effective performance appraisal has a significant and positive influence on employee retention.

Data Analysis & Interpretation
Having received the data from various respondents, the responses were coded to facilitate easier analysis and presentation of results. The results were presented using tables, percentage and charts/graphs. This

includes the background of the respondents, work experience, **performance** details, retrenchment issues, employees view on retention and recommended areas of improvement.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Sta.Dev.	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
CD	127	1	5	2.74	0.96	0.442	0.153	-0.218	0.304
TD	127	1	5	2.74	0.874	0.219	0.153	0.04	0.304
PA	127	1	5	2.52	0.969	0.626	0.153	-0.14	0.304
RC	127	1	5	2.54	0.96	0.376	0.153	-0.212	0.304
HS	127	1	5	3.08	0.899	0.14	0.153	-0.443	0.304
ER	127	1	5	2.45	1.101	0.514	0.153	-0.312	0.304
Valid N (LISTWISE) 127									

Source: SPSS generated

In terms of Transformational Leadership, Intellectual Stimulation (IS) is with the highest mean of 3.535 (Std. Deviation= 0. .5285) among all the Transformational Leadership dimensions which indicates that majority of the respondents agreed that this dimension is the most vital and displayed leadership behaviour of Transformational Leadership. Next is the Idealised Influence (Behaviour) (IIB) with 3.522 (Std. Deviation= 0. .5074). Then followed by Idealised Influence(Attributed) (IIA) with mean of 3.518, (Std. Deviation=0.5357), Inspirational Motivation (IM) with mean of 3.514 (Std. Deviation=0.5401). Lastly is the Individualised Consideration (IC) with the mean statistics of 3.513 (Std. Deviation= 0. .57

Correlation Analysis

The below table 13, shows the correlation analysis generated on all constructs to determine Pearson's Correlation coefficients with a two – tailed significance test. Human Resource Management practices such as Career Development (CD), Training and Development (TD), Performance Appraisal (PA), Health and Safety (HS), Reward and Compensation (RC), are considered as independent variables and Employee Retention (ER) is considered as the dependent variable.

Human Resource Management Practices and Employee Retention

Model Summaryb original model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin Watson
					RSquare Change	F Change	df1	df2	Sig. F Change	
1	690a	0.476	0.465	0.805	0.476	45.014	5	248	0	1.828

a. Predictors: (Constant), HS, RC, PA, TD, CD

b. Dependent Variable: ER

As refer to Table, the dependent variable is ER, and independent variables are HS, RC, PA, TD and CD. The figure (4.6) summary predicting the employee retention shows R as 0.690, Rsquare as 0.476 and adjusted R square as 0.465, implicating that 46.5% of the variance of employee retention can be predicted by independent variables of health and safety, reward and compensation, performance appraisal, training and development and career development.

Beta Coefficients for Employee Retention

Coefficientsa							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF

1	(Constant)	-0.217	0.200		-1.084	0.279		
	CD	0.220	0.083	0.192	2.659	0.008	0.407	2.459
	TD	0.065	0.087	0.052	0.753	0.452	0.448	2.230
	PA	0.011	0.077	0.010	0.146	0.884	0.459	2.180
	RC	0.426	0.073	0.371	5.850	0.000	0.526	1.902
	HS	0.253	0.071	0.206	3.556	0.000	0.627	1.594
a. Dependent Variable: ER								

The following assumptions were made before the analysis of this table:

Dependent factor: Employee Retention

Y= ER (Employee Retention)

Independent factor: Human Resource Management Practices

X1=CD (Career and Development)

X2=TD (Training and Development)

X3=PA (Performance Appraisal)

X4=RC (Reward and Compensation)

X5=HS (Health and Safety)

C=Constant

Therefore the model should be

$Y = B_1X_1 + B_2X_2 + B_3X_3 + B_4X_4 + B_5X_5 + C$

The result shows that only three HR practices are significantly and positively influence employee retention where CD (0.192, p=0.008), RC (0.371, p=0.000) and HS (0.206 , p=0.000) as refer to Table 15. The Constant is not significant and negetive. None of the tolerance statistic from Table 15 shows that it is less than 0.20 (Menard, 2010), so it signifies that the variable is not greatly collinear with the rest of the predictor variables (Ualberta, n.d.). Therefore the empirical model (original) can be illustrated as follows

$$Y = 0.192(X_1) + 0.371(X_4) + 0.206(X_5) \text{---------------------------------}(1)$$

Analysis of Hypotheses

Hypotheses	Beta Coefficient	Significant (P<0.05)	Decision
H1: Improved career development practices have a significant and positive influence towards employee retention	0.182	0.008 Significant	Accepted
H2: Increasing training and development opportunities has a significant and positive influence on employee retention	0.049	0.452 Not Significant	Rejected
H3: The combined effects of training and development along with career development opportunities have a impact on employee retentionsignificant and positive	0.187	0.004 Significant	Accepted
H4: Effective performance appraisal has a significant and positive influence on employee retention.	0.01	0.884 Not Significant	Rejected

FINDINGS AND INTERPRETATION:

Summary of Major Findings

1) There were more male employees (61.4%) than female (38.6%) in the organization. This may be attributed to the fact in the past decades; the ratio of male employees was higher than that of female employees.

2) The entire organization has relatively a higher number of well- educated employees within its ranks (35% being degree holders, 27% with diplomas and only 38% being certificate holders). This may further confirm that a bigger fraction of employees are well informed about what affect them from the environment (both internally and externally).

3) The largest majority of the sample respondents i.e. 30.5% were in the age group of 25-30 years which was followed in by the age group of 30-35 years (27.2%), further followed in by the age group of 35-40 years (17.7%) and 40-45 years (9.5 %).

4) 52.8% of the respondents are single & youth.

5) 17.3% of the respondents had worked for a period of 0to 6 months, 15.7% had been in the organization for 6 months to 1 years, 21.7% had worked for 1 to 2 years, 45.3% are having more than 2 years. A majority of respondents (45.3%) had worked for more than 2 years

6) The majority of the respondents (75%) were able to complete the task assigned to them whereas 25% indicated that they do not accomplish the delegated work on time. This may be attributed to the fact that most of workers have been service for more than (5) years and are well versed with the duties. There may also have been other departments that could have been over staffed before and hence the fewer remaining worker be able to perform their duties

7) the majority (85%) of the respondents believed that their productivity had increased whereas 15% indicated that it had reduced drastically. This may be attributed to the fact previously there may have been duplication of roles functions which was done away with upon retrenchment / down-sizing.

8) 67% of the respondents were found not to have been prepared for the retrenchment/ down-sizing and 33% highlighted that they were in the limelight. The majority indicated that very little was done and yet and yet it was felt that indeed it was a major exercise. This could be one of the facts contributing to feelings of uncertainness amongst the long serving employees of the Pantaloons India Ltd.

9) it is indicated that only 147 respondents representing 29% felt that the retrenchment exercise was objective A majority of the respondents (361) representing 71% believed that the exercise was not objectively done. This may be the factor contributing to the low morale and the feelings of the uncertainties.

10) 452 respondents who represented 89% indicated that the retrenchment did not achieve the objective of cutting down on cost whereas only small fraction 11% of the respondents thought otherwise. This may be attributed to the fact that majority of those who were recruited after the down-sizing exercise were remunerated with hefty pay packages which may have eaten into the savings arising out of the retrenchment

11) A majority of the respondents numbering 351 (69%) highlighted that there were many other options like freeze on employment, natural attrition, training and multi- skilling of workforce among many, as opposed to the retrenchment \ down- sizing exercise. Only 31% of the respondents indicated the retrenchment was still new in Pantaloons and not fully been embraced by employees \ working fraternity.

12) 69% of the respondents indicated that the retrenchment has had a negative effect on the employees whereas 31% did not think so. This may be the reason why they were feelings of uncertainty and a state and a state of apathy towards the employer.

13) 361 employees representing 71% of the respondents said that the salary package was poor and not equitable to the increased workload / the much responsibilities were currently shoulder. On the other had only 29% of the respondents were non-committal on the state of affairs. This may be reason why the low morale amongst long serving members of staff exists and the fear of victimization by others.

14) **Component 1** - For the first component with the listed 4 questions`, in the factor analysis grouped Performance Appraisal (PA) and, Reward and Compensation RC) as one factor. The Eigen value obtained for this component is 6.997 with a cumulative variance of 18.53%.

15) **Component 2 –**For the second component with the listed 5questions, in the factor analysis obtained is Employee Retention (ER) with an Eigen value of 2.6846 with a cumulative variance of 33.97%.

16) **Component 3 –**For the third component with the listed 3 questions, in the factor analysis grouped Career Development (CD) and, Training and Development (TD) as one factor. The Eigen value obtained for this component is 12.296 with a cumulative variance of 48.977%.

17) **Component 4 –**For the fourth component with the listed 4 questions, in the factor analysis obtained is Health and Safety (HS) with an Eigen value of 6.911 with a cumulative variance of 61.283%.

Reason for Leaving Previous Organization

Reasons of leaving previous organization are different with different respondents and there are as fallows:

(i) For career growth;

(ii) Better pay package;

(iii) Personal reasons;

(iv) Job security;

(v) There skills are not properly utilized;

(vi) Some have interest in retail sector.

Most Enjoyable part of Job

Because of the respondents are frontline executive therefore, their most interesting or enjoyable part of job are customer interaction and achieved their sales target.

Retention Level

Retention level should be maximized by following:-

(i) Better remuneration

(ii) Proper increments

(iii) Transparent appraisal system

(iv) Better job conditions

(v) Employees counseling

(vi) Social gathering (parties, picnics)

Dream Organization

(i) Almost all the respondents want their dream organization as better paymaster, more big company with good profile.

(ii) Few are still want to stay with their present organization in future as they are satisfied with their present organization

(iii) Some respondents want their dream organization as where there skills are properly utilized.

(iv) Some want to change their respective sector with other like automobile and telecom because of their interest.

Recommendation

1. Compensation constitutes the largest part of the employee retention process. The employees always have high expectations regarding their compensation packages. So an attractive compensation package should plays a critical role in retaining the employees.

2. Growth and development are the integral part of every individual's career. If an employee can not foresee his path of career development in his current organization, there are chances that he'll leave the organization as soon as he gets an opportunity.

3. The work profile on which the employee is working should be in sync with his capabilities. The profile should not be too low or too high.

4. Employees should be trained and given chance to improve and enhance their skills. These trainings can be given to improve many skills like communications skills, technical skills, in-house

processes and procedures improvement related skills and customer satisfaction related skills or special project related skills.

5. Management should try to focus on its employees and support them not only in their difficult times at work but also through the times of personal crisis.

6. Management can support employees by providing them recognition, appreciation, proper counseling and providing emotional support.

Employee Retention Model: A Discussion Model

The model used is structured, though flexible. The SUCCESS mnemonic sets up what needs to be done in coaching to help the employees and employers in retention.
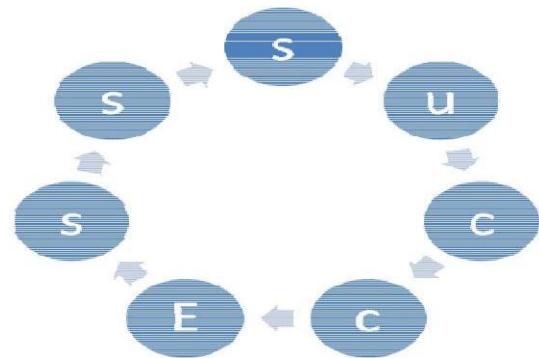
SUCCESS Model of Employees Retention

S— See the priorities and pick out the critical issues and goals that need to be addressed.

U— Understand the needs of the employee from their frame of reference. Learn and practice the Success Touch that is treating others not as you want to be treated, rather as they want to be treated.

C— Create the programs and services that are needed for staff to perceive they are of value and importance.

C— Concentrate on what is working, and reflect and learn why it is. Once we do this we are able to continue to extrapolate the hows in regard to employee motivation. Be aware of how to help employees choose to be motivated.

E— Evaluate if both the employees and upper management are working for a common goal.

S— Study the learning from the above steps and learn what can be done to enhance the workplace.

S— Set the task to continue to look for feedback. Support the staff and transfer what is learned so that there is a reduction in the same mistakes being made, so that it does not work against staff morale or motivation.

Training and Counseling

Training and counseling programmes should be arranged to prepare all workers for the intended change. This may be in the area of stress management and adaptation to changes. Downsizing / Retrenchment or any major change, affects all workers psychologically and they should therefore be prepared to indeed accept the change. The retained employees would be affected after seeing through most of their employees leave and also the increased workload may have a negative impact.

Training and Development

Training is a systemic process to enhance on accusation of knowledge, skills, rules, concepts or attitudes and further develops the abilities of individual in order to satisfy current and future work related needs. Employees who may not have adequate skills after retrenchment, costs the film a great deal of financial resources since they may not be able to cope with the demands of their new responsibilities. This may lead to the frustration of employees, which could lower their productivity.

Efficiency and Effectiveness

Given that the main intention of downsizing / retrenchment could not be to wind up to the company; the term should ensure that the resultant leaner staff in a firm remains efficient and effective to be able to compete in the market. The firms human resources planning and the corporate strategic planning must therefore be well integrated. The remaining employees should be well "nourished" in terms of pay packages and overall welfare .

Conclusions and Implications from the think-tank

Participants were in agreement that the current INDIA recession is unprecedented in its characteristics. The prevailing uncertainty meant that it is impossible to predict outcomes or advocate detailed solutions without qualification. It is clear, however, that this is a 'frame-breaking' event, and one which presents both threats and opportunities for INDIA business.

Dealing with the threats effectively may involve more than strategies aimed at the exploitation of cost efficiencies. Cost efficiency drives must be accompanied with significant innovation and exploration activity, in order to take advantage of opportunities which exist even in times of recession. The combination of cost efficiency and innovation strategies thus constitutes an ambidextr*ous approach.*

Competency-based performance management processes are becoming more prevalent in many organizations, but they are particularly appropriate for organizations where there are:

- Uncertain environments
- Qualitative/process service jobs
- Self-managed teams
- Developmental jobs
- Changing organizations

Competency mapping begins with identification of the workforce competencies required to perform the organizational business activities. Once the competencies are identified, a mapping between the targeted vs. actual value of competencies is required to Measure, analyze and predict the futurecapability of competencies and takes necessary Corrective/preventive action to either enhance ormaintain the current capability. Identifying the tasks, skills, knowledge and attitude required toperform various Organizational roles can be used in formulating job description, assessing employees

'Current level of competency, and activities like planning career development and Coordinating competency development.

Organizations describe, or map, competencies using one or more of the following four strategies:

1. Organization-Wide (often called "core competencies" or those required for organization success)
2. Job Family or Business Unit Competency Sets
3. Position-Specific Competency Sets
4. Competency Sets Defined Relative to the Level of Employee Contribution (i.e. Individual Contributor, Manager, or Organizational Leader)

Employee Retention Strategies

Strategies on how to minimize employee attrition, confronted with problems of employee attrition, management has several policy options viz. changing (or improving existing) policies towards recruitment, selection, induction, training, job design and wage payment. Extensive research has shown that the following categories of human capital management factors provides a core set of measures that senior management can use to increase the effectiveness of their investment in people and improve overall corporate performance of business:

Employee engagement: The organization's capacity to engage, retain, and optimize the value of its employees hinges on how well jobs are designed, how employees' time is used, and the commitment and support that is

shown to employees by the management would motivate employees to stay in organizations.

Knowledge accessibility: The extent of the organization's "collaborativeness" and its capacity for making knowledge and ideas widely available to employees would make employees to stay in the organization. Sharing of information should be made at all levels of management.

Workforce optimization: The organization's success in optimizing the performance of the employees by establishing essential processes for getting work done, providing good working conditions, establishing accountability and making good hiring choices would retain employees. The importance of gaining better understanding of the factors related to recruitment, motivation and retention of employees is further underscored by rising personnel costs and high rates of employee attrition (Badawy, 1988; Basta and Johnson, 1989; Garden, 1989; Parden, 1981; Sherman, 1986).

Organizational commitment: Is an effective response to the whole organization and the degree of attachment or loyalty employees feel towards the organization. Job involvement represents the extent to which employees are absorbed in or preoccupied with their jobs and the extent to which an individual identifies with his/her job (Brooke et al., 1988).The degree of commitment and loyalty can be achieved if management they enrich the jobs, empower and compensate employees properly.

Empowerment of employees: Could help to enhance the continuity of employees in organizations. Empowered employees where managers supervise more people than in a traditional hierarchy and delegate more decisions to their subordinates (Malone, 1997). Managers act like coaches and help employees solve problems. Employees, he concludes, have increased responsibility. Superiors empowering subordinates by delegating responsibilities to them leads to subordinates who are more satisfied with their leaders and consider them to

be fair and in turn to perform up to the superior's expectations (Keller and Dansereau, 1995).

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