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CHAPTER - II
REVIEW OF LITERATURE

2.1 INTRODUCTION

The literature survey was carried out to comprehend the various definitions and dimensions associated with Employee Retention Strategies (ERS) as a concept and to know about techniques and methodologies adopted by various researchers. An effort was also made to understand the relevance of assessing variables and constructs used by them in their research work.

Systematic literature survey techniques were adopted to form a basis for the justification of the present study. The research premise was developed after going through various research papers, books, journals, reports and articles relevant to the concept of ERS. Along the way, the gaps in the study of ERS were identified. The research questions were framed to address the gaps identified, and based on that basic research model was outlined.

Several studies have been undertaken to understand the implications of the strategies on employee retention in general. Some of the noteworthy empirical studies were found through scholarly internet search engine-googlescholar.com and several online database repositories and directories like Wikipedia, inflibnet, J-gate etc. Literature published mostly between 2000-2016 was reviewed in to order to ensure that the content has some contemporary relevance.

A summary of the reviews which led to the identification of the research gaps and the context of the research thereof is presented below in relations to the various dimensions. The ERS employed among various sectors have been reviewed, so as to identify the research gaps and which helped to carry out the present study.

Retention is a measure involving to encourage employees to remain in the organization for the longer period. (Griffeth and Hom, 2001). Employee retention connotes the means, plan or set of decision-making behavior taken by organizations to
retain their competent workforce for performance (Gberevbie, 2008). Retention is a voluntary move by an organization to create an environment which engages employees for long term (Chaminade, 2007).

For the sake of clarity and finer understanding, entire review of literature chapter has been divided into following sections.

- Section I: Literatures grouped according to the similar sectors.
- Section II: Research gaps

2.2 SECTION I: Literatures grouped according to the similar sectors
2.2.1: Comparative studies among firms of public and private sector

Jackson, (2014) conducted a study to assess the factors influencing retention of employees in Tanzania’s public and private sector workplace. The study involved 60 respondents from 10 selected organizations. Results revealed that compared to private sector public sector had high retention rate. As far as the reasons for employees leaving were concerned, the organization which paid low salaries and benefits were predominant. Further employers’ psychological factors like organizational justice and prestige were also influencing employee retention. The authors finally suggested that all organizations should regularly review the remuneration structure which fosters a congenial working environment for employees.

Rabia, et al (2011) examined the relationship between work family conflict and employee retention among 200 employees working in public and private companies in Pakistan. The Study shows that there is no relationship between work family conflict and retention of employee. Results revealed that if there was work family conflict also people were still not ready to leave the job.

Michael and Crispen, (2009) carried out a cross sectional survey to identify the influence of intrinsic and extrinsic motivation variable on retention and employee turnover. This study considered a sample of 145 respondents from two public and two private organizations in South Africa. The results of the study indicated that employees were influenced both by intrinsic and extrinsic variables of motivation which included training and development, interesting and challenging work, freedom
to think innovatively, and security for the job. All these leading to reduction in employee turnover and increase in employee retention.

2.2.2: Studies on IT /ITeS/MNC Sectors

Balamurugan and Abinaya, (2016) carried out a study which aimed at examining the factors involved in retaining employees. A sample of 120 IT employees were chosen from the city of Trichy. The results revealed that the major three retention variables which influenced more in retaining employees were career advancement opportunities, superior support and work environment. But work pressure, reward and recognition were the two least influencing factors for retention in IT companies.

Satish, (2016) carried out a study to identify the retention strategies in various IT industries like Wipro, TCS, LML, Accenture, to understand the retention rates in IT industry. The reasons for turnover and strategies adopted by these industries in retaining employees. Through the study, it was found that there were 5 major retention strategies; compensation, organization environment, personal growth, relationship and support. According to the NASSCOM report the attrition rates in IT industry was 35-40%, and the reasons for this was lack of growth prospects, misguidance, negative policies, unhealthy professional relationship, and physical strain which creates discontent among workers at workplaces. To reduce the attrition rates these top industries have adopted retention strategies like free flow of communication, understanding clearly of employee’s expectations, implementing simple policies and procedure, properly rewarding where reward is linked to performance.

Bharathi and Paramashivaiah, (2015) carried out an exploratory study on issues related to attrition in IT and ITES companies to examine the influence of environmental factors, training and development and organization culture, specific job factors on voluntary attrition and involuntary attrition. The results revealed that all these factors influenced involuntary attrition in that an increase in 1 unit of involuntary attrition there was an increase in all the mentioned factors. And finally, authors concluded that it would be helpful for HR managers to change their retention strategies and ensure minimal or zero attrition.
Venkatesh and Umamaheshwari, (2015) carried a study to identify the factors influencing retention of employees in IT industry. A sample of 450 HR professionals were included for the study. The variables examined were HR policies, corporate work environment, conditions of services, and welfare measures. The outcome of the study was that these variables can be used by the HR managers to manage attrition.

Varaprasad, (2014) carried out a conceptual study focusing on the importance of employee retention in promoting sustainable development at organizations. Considering two major companies HCL and INFOSYS, and showing how these companies were paving towards sustainable development by adopting retention strategies was the highlights of this study.

Tangthong, (2014) carried out a study on the effects of Human Resource Management practices on Employee Retention among MNC’s of Thailand. A sample of 411 managers, among whom were management executives, HR leader and Line managers were selected for the research. Results revealed a direct and positive relationship between HRM practices (job satisfaction, employee engagement, employee motivation, flexible career paths) and Employee retention. Further the strongest influence on employee retention was employee engagement.

Shanmugam and Kalpana, (2014) carried out an exploratory study to identify the dimensions of employee retention in IT companies, Chennai and their influence on attrition level of the employees. A sample of 50 employees were selected. The results revealed that intrinsic motivation, comfort, involvement and work life compatibility were significantly influencing the rate of attrition. The authors concluded that, a culture which has retention as an important aspect is the emphasis for all the IT companies.

Anant, (2013) investigated the determinants of worker retention in ITeS Sector in Three City of Chandigarh, Mohali and Panchkula. From the study, it was statistically found that significant variable for retention of workers were fair and competitive salary, performance related incentives, security at workplace, fair and equitable treatment between male and female workers. Most importantly ITeS conducted Exit interviews and this has been a major tool for retention of employees.
Dasam, (2013) made an attempt to study the emerging employee retention practices in MNCs, Hyderabad. The author recommends that depending upon the different needs of the individual proactive strategies should be developed. Further the factors like motivation and satisfaction would also be the base for retention in which these two factors would be significantly different for demographic variables like age, gender, marital status and education. And also, recognizing the right talent, empowering employees, authority in their work, training them intelligently would be beneficial for organization in retaining employees.

Ruchita and suhas, (2010) attempted to examine the HRM practices adopted at TCS with the intention of retention. During 2010 TCS had a lowest attrition rate i.e., 12.1% as compared to WIPRO and Cognizant, and the practices followed at TCS for retention management were career development, rewards and recognition, HR policies and performance based incentives.

2.2.3: Studies carried out among Banking Sectors

Bhawana and Nirmala, (2016) carried out a study to examine the level of employee retention in selected private banks of Haryana. The major two retention variable used for this study was organizational climate and job satisfaction for a total sample of 400 employees from different banks. The author finally concludes that, a significant difference was observed in the retention variables indicating that all banks had high retention.

Naveed, et al (2015) carried out a study to assess the factors of employee retention that affect banking sector employees in Pakistan. The impact of independent variables (compensation & benefits, working environment, training opportunities, rewards and recognition and annual performance appraisals) on employee retention. The authors concluded that all the independent variables had positive influence on retention of employees. But mostly compensation had more impact on retention, indicating an employee who has been paid well is more satisfied.

Chitra, (2013) carried an empirical study among 100 employees of private sector banks in Chennai, to observe the relationship between leadership styles and
retention. Findings of the study revealed that styles of leadership have significant influence retention of employees. Further the author concludes that while practicing leadership style, if an employee feels unfavorable with the style the workforce decides to leave. By giving a right leadership style the workforce decides to retain in the banks.

Uma, (2013) made an attempt to analyze the impact of HRM practices (career development, support from supervisor, proper working environment, work life policies and rewards) on retention of employees in banks of Punjab. Findings showed a good relationship between HRM practices and retention of employees. Further out of all the practices career development and rewards were of top most priority for retention.

2.2.4: Organizations (general)

Neeraj, (2016) carried out a study to analyze the various factors that would affect level of retention within the organization in a CDM, (C=complexity, D=Dynamic, M= complexity & ambiguity) environment, i.e., whether these innovative HRM practices can lead to retention. This study was based on the secondary data available. The results revealed that Recruitment and Selection by Expert Committee and trying to hire new recruits through old employee, Employee Engagement, providing continuous feedback, providing salary and other benefits: like Employee Stock Option Plans, maintaining transparency and prospective career growth, Effective Training and developing Leadership programs, open and rewarding organization culture are the retention strategies that are helpful for an organization in CDM environment.

Gunjan, (2016) carried out a research to assesses the retention strategies used by organization to retain generation Y employees who use social media. The idea is to check whether how these organizations retain employees through using social media. The results revealed that 75.73% have face book account, 86% use gadgets like mobile phones, laptops, mp3’s and 50% of the employees spend 30-40minutes each in accessing information. This indicates that majority of the users nearly 75% of them are retained by these social media organizations.
Jasleen, (2016) in her study attempted to analyze the innovative HR practices in organizations which are facing a cut-throat competition in a VUCA (volatile, uncertain, complex, ambiguous) world. The study reported new steps for retaining talents in present scenario. These new steps included Hiring individuals who fits in the organization, employee engagement, innovative HR functions, continuous feedback on performance of employees, attractive compensation and benefits, Prospective and transparent career growth, effective leadership development and training programs, a culture which has open and best rewarding system. Finally, the author concludes that in a competitive market to survive the organizations must adopt innovative strategies for retaining talents.

Pandian, (2014) carried out a study about factors which are involved in employee retention in celebrity Fashion Limited, Chennai. The number of respondents considered for the study were 120. The results suggested that Superior –subordinate relationship should be improved, more opportunities must be provided for growth of career, increase the level of satisfaction among employees by providing benefits and finally the strategies on employee retention must be framed in a creative way.

Vandana and Sujit, (2014) undertook a study to examine the various factors that affect retention of women employees in the workforce. For this study, 109 women employees, were chosen of whom executives, managers and senior managers were included. It was found that competitive compensation, encouragement and recognition, training and professional development, paid maternity leave, flexible working arrangements were the factors contributing to employee retention. And in the organizations, that followed these practices, retention was possible.

Rajesh, (2014) has discussed in his research paper, that the organizations should develop positive culture and be prepared to face the challenges posed in adopting the HRM practices for retaining employees. Further the author suggested that the Retention Strategist should focus on employee engagement, leadership development and create some win-win situations for retaining the workforce.

Shilpi and Prachi, (2014) carried out a study on attraction and retention of quality employees from the managers view point. This view point varies from country
to country and from one organization to another. The authors finally recommend to all managers that while hiring, right person and right job must be seen. The supervisor and subordinate relation should be a trustworthy relation. And finally, it is the responsibility of managers to develop a personal plan for each individual as the base.

Sushmita and Ajaikumar, (2014) made an attempt to study the reasons for attrition, what measures can be used to control attrition and the retention practices which are prevalent in India. The authors concluded that organizations need people and people need organization both are dependent on each other and one does not exist without the other. When an individual joins an organization, he gets his dreams, hopes, ambitions, creativity and innovation, and the responsibility lies with the employer to recognize and preserve these assets for the future growth of the organization. An organization should create such an environment where people can achieve their individual goals and accomplish organizational goals. The retention plans are inexpensive which fosters productivity and makes sure that employees are emotionally attached.

Sunia, (2014) carried out a cross sectional study on employees from Not-for-profit and For-profit organizations of silang area, Cavite, Philippines, to understand whether organizational commitment and employee engagement are the predictors of employee retention. It was found from the study that engaged and committed employees tend to stay in both type of organizations for long duration.

Lichia and Raymond, (2014) carried out a survey to know the Indian attrition rates, reasons for labour turnover and developing retention strategies. The authors opined that the view point of today’s HR manager should change to Human capital managers to compete with global market. Instead of using only compensation as a retention strategy, they should rather concentrate on social networks, deepen individual satisfaction, and commitment towards organization, enhancing career opportunities.

Alice, et al (2014) carried out a study on effects of talent management in the retaining employees in State Corporation, Kenya. This research is completely based on the secondary data. Conclusion of this research is that organizations success
depends on the quality of Human resource. Talent management is significantly associated with organizations performance and employee retention. The five primary areas of talent management are, attracting, selecting, engaging, developing and most important retaining.

Alice and Joyce, (2014) carried out a study on retention of generation Y employees in State Corporation, Kenya. For the study, previous literatures were reviewed and gaps were identified. They concluded that generation y employees are technology savvy and used cellular phones and internet. They are goal oriented and career oriented. To retain them the workplace should be meaningful and important. These millennial employees desired good relationship with the boss, opportunities to explore their skills, recognition, challenging work, flexible working hours and social interactions. Understanding this generation will help organizations in attracting and retaining the workforce for future.

Ahsan, et al (2014) carried out a study to explore the executive’s opinion on the different attributes of employee retention, Such as reward, supervisor support, career opportunities, work environment and work life balance. The results revealed a positive but weak relationship of executives’ opinion towards the various attributes of retention i.e., job satisfaction, working environment, age, gender, rewards, recognition and growth. Further the authors concluded that abundance of job opportunities elsewhere and labour mobility were the key challenges for the organizations in retaining employees. The organizations should concentrate on team building activities as an affordable and effective way to improve the working environment and motivate employees in employee retention.

Nappinnai and Premavathy, (2013) carried a study on Employee attrition and retention in the global scenario. They Suggested that managing people is an art and skill. If an organization manages people, the purpose of retention is fulfilled. And it is high time that the organizations should realize the importance of employee retention and try to reduce attrition.
Wasim, (2013) carried out a study to determine the impact of orientation on employee retention in service sectors of Pakistan. The authors concluded that there exists a significant relationship between orientation programs and retention of employees, suggesting that during orientation programs a detailed information should be given about the real time of an employee who will work for his company, training opportunities, and introducing competency based pay schemes for facing competition which also adds value to satisfaction of jobs.

Norzaidi, et al (2013) carried out a study to understand the relationship between retention factors such as communication, supervision, leadership, career development, work environment and its impact on the executives of X company, Malaysia. The results indicated that all retention factors had positive effect on employee retention and these factors would be helpful in reducing the labour turnover.

Shanti, (2013) the author in her study “Dynamics of Employee Retention in Modern changing scenario” opines that responsibility lies with the management as well as the line managers to ensure whether the employees are satisfied with their roles and responsibilities, and all efforts to retain those employees who are important and are effective contributors in the organization. Factors like conducive environment, employer employee relationship strategies, employee support strategies, employee growth strategies and employee compensation strategies would help the organizations to frame a retention model in retaining employees.

Brijesh and Sushmita, (2012) The authors have tried to find the reasons for attrition and the challenges faced while retaining employees. The reasons for attrition was, lack of opportunities, improper working environment, increased stress, no confidence on supervision received, job and employee mismatch, no clarity in goals, poor feedback. In this competitive world, how companies hold its employees is a challenge. Only by adopting suitable retention strategies like retention bonus, ESOP options and Golden handcuffs the employees can be held back.

Lalitha, (2012) carried out a study on various factors leading to attrition and the role of HR manager to manage the factors causing attrition, to know the retention
practices and their effectiveness in attrition management. The author concludes saying that the hiring practices should be changed, building a positive image in the employee’s minds (employer branding), retaining talented resources in the organization, and finally conducting the exit interviews is a major tool for retention and reducing attrition.

Nitasha, (2012) conducted a study to know the ways to retain Y generation employees. Findings revealed that they don’t rely on employers to create opportunities but they expect all help and support from them. Generation Y is a very adaptive and powerful group who want annual appraisals, feedback very frequently. The employer’s responsibility to retain these young generation is to listen and understand them.

Izidor and Iheriohanma, (2012) have reviewed the recent trends that affect employee retention in global economy keeping in focus the Nigerian organizations. Their research contributes to the understanding that organizations should adopt critical sustainable trends in retention to establish a strategic plan, involving employees in the process of decision making, personalized compensation plan, developing mechanisms for career planning, training and development, and building flexible work programs for retaining core employees in Nigerian organizations.

Vimala and Wang, (2012) carried out a study on the factors influencing employee’s intention to stay. A sample of 92 employees from Kedah State Development Corporation Company, Malaysia were selected for this exploratory research. Results revealed that all the five factors (compensation, organizational commitment, work life balance, career opportunity and supervisor support) had a significant relationship with the employees’ stay in the company.

Kofi and Francis, (2012) investigated the effects of various retention strategies on worker’s performance. A sample of 355 respondents were chosen from 8 randomly selected organizations of Ghana of which five were manufacturing organization and three were service organizations. The study found that worker’s performance and commitment positively impacted employee retention strategies.
Benjamin and Ahmad, (2012) carried out an investigative study to know the motivational factors that influence employee retention and to examine their impact on organizations and employees. Further the author argues that certain motivational factors are important for retaining employees especially related with financial rewards, job characteristics, career development, recognition, management, and balance work life. The author finally concludes that certain factors do influence the employees in retention but the importance of other factors should not be miscalculated when organizations are framing their retention policies. Instead organizations should provide number of retention strategies to increase the employee retention, some of them are: value proposition, developing a total reward system, a constructive performance reviews, flexibility programs, a culture of engaging employees.

Ankit, et al (2012) carried out a research on different hierarchical levels and retention. They suggested strategies to retain employees who work at lower, middle and high level hierarchy. Employees at the lower level can be retained through recognizing and personally appreciating their performance on the job, giving them monetary/non-monetary rewards and providing gifts e-cards etc. The middle level employee can be retained with an appreciation letter along with special bonus, benefit programs for family support, medical care, recreational benefits, effective training and development programs. The higher-level management employees can be retained by giving guidance to them on balancing work and life, flexible schedules, leave facility, support services and onsite day care facility.

Shivangee and Pankaj, (2011) made an attempt to study the various aspects of employee retention, to know why people leave organizations. The authors suggested at the first-place right person should be hired, empower the employees, respect and trust the employees, provide them knowledge and information, performance feedback should be given, appreciation and recognition of their achievement, fun at work, each employee should fall in love with company, when an employee is rightly placed the effort of retaining is completed.

Shaveta, et al (2011) carried out a study to bring out the approaches to employee retention, strategies for retention and the cost of attrition through factor analysis. Results revealed that the most important factor was the identification of
strategies of retention. The second most important factor was retention strategies like free flow of communication, reward programme, career development opportunities. The third factor was retention bonus is an incentive, which is given to employees for their stay through the critical business cycle.

Bidayatul, et al (2011) carried out a study which included HR practitioners of six Malaysian companies to explore the effect of talent management practices on employee engagement and retention. Results indicated that by implementing talent management it acts as a strategy in retention of employees and further this strategy involves activities of human resource like recruitment, performance management, selection and training and development. The authors concluded that retention of talented and engaged employees is very essential in this competitive era and it also leads to organizational success.

Noraani, et al (2011) carried out a study on 240 middle aged single mother employees in Kalyan valley, Malaysia, was to examine the variable mediating the relationships between occupational and organizational characteristics and intentions to stay in the organization. Hypotheses were framed using the variable of these like coworker ‘support, supervisory support and job demands with family facilitation and intentions to stay. The results were, support from coworkers had a significant relationship with family facilitation and intentions to stay, but the employees did not receive support from their supervisors which was indicated in significant relationship with their intention to stay. Further the relationship between job demands, had a partial effect on family facilitation and their stay.

Janet and Lanny, (2011) explored a study which included HR managers of twelve Australian organizations, exploring the relationship between HR practices and the stay of core employees. HR practices considered for the study are selection, reward and recognition, training and career development, growth opportunities, compensation and benefits. The finding revealed that there is positive relation existing between the organizations core employee stay and HR practices. Further this research has also identified few recent HRM practices in connection to retention program like
leadership, organization culture, consultation and communication, working relationship, conducive environment which could also help organizations in retention.

Sunil, (2003) carried out a purposive study to determine the factors significant for employee’s decisions to remain employed. Conclusions of the study were that employee’s satisfaction was linked to rewards and recognition, feedback, position and flexibility in work schedule. The employers opined that there is risk in retaining critical employees. The organizations should identify critical employees understand their expectations and needs and then try meet those expectations. This can happen only when organizations become proactive.

2.2.5: Studies carried out among Telecommunication sector

Khushbu, (2014) carried out an empirical study to understand the impact of emotional intelligence on organizational commitment and Employee retention. For this study data was collected from 200 employees working in retail outlets like Vodafone, TATA DoCoMo and Idea in Rajkot and Ahmadabad city. The results suggest that Emotional intelligence is important for organization commitment and employee retention. All the three factors are interrelated. An organization which helps its employees to balance their emotional quotient will have a satisfied and committed workers at work and thus leading to retention.

Waleed, et al (2013) carried out a study to understand the effect of training, its type and duration on retention of employees and to determine the effects of employee retention of supervisory support and rewards. A sample of 100 respondents were selected from Telenor, telecommunication sector. Overall results revealed that supervisory support, rewards, training and its type and duration leads to satisfaction and employee retention. Further majority of the male respondents expressed their willingness to undergo training. Both male and female respondents opined that effectiveness of the training is decided by the duration of training. Majority of female respondents consider that the support from supervisor they receive and financial rewards were more important for retention as compared to male respondents.
2.2.6: Studies carried out among Hotel industry

Amit and sumedha, (2016) investigated a study to analyze the reasons for employees leaving the organization and to suggest various strategies to increase the retention rate in hotel industry. The study was based on secondary data and confined to base level and middle level employees who were working in 4 stars and 5 stars Hotels in Delhi. Results revealed that majority of the employees who were working in the present hotels, had already worked at another hotel and had left the job due to very low wages, lack of quality supervision, insecure jobs and overwork. The authors suggested that retention strategies should be enhanced in these hotels. To retain the staff exit interviews, would help the industries in identifying the reasons for employees leaving the job which will help them in solving those issues.

Ajay and Amitava, (2015) carried out a study on retention of employees in Hotel Industry in India. The research relied heavily on secondary data. The authors believed that attrition is more at the entry and middle level jobs. Appropriate strategies like timely promotion, career growth, better compensation, rewards and appreciation, and providing training and development can only help them retain their valuable talent. Sound and distinct employee retention strategies can avoid high employee turnover in organizations.

David and Joseph, (2015) carried out a study of 347 employees from hotel industry in Mombasa County, Kenya, of which 80 were management staff and 267 non-management staff. The research aimed at assessing the influence of pay and work environment on retention of employees in hotel industry. The findings revealed that pay had a weak influence on employee retention whereas work environment had strong association with retention, indicating that the pay discrimination is the reason for weak association with employee retention.

Kiruthiga and Magesh, (2015) carried out a study to identify the factors of employee retention strategies in star category hotels and the impact of these employee retention strategies on job satisfaction. A sample of 500 employees were selected from different star hotels. This study includes five independent employee retention strategies; employee benefits, reward management, building employee relationship, management support, working environment, and employee development. Results
revealed all independent variables of employee retention had a positive impact on job satisfaction. Further, job satisfaction would act as a foundation for retaining employees.

Parag, (2014) carried out a study on 100 staff members especially serving at the table, from 26 selected hotels from Jalgaon city. In this paper the author intends to find out the causes of turnover in hotel industry and to suggest suitable measures to overcome the issues. The major reasons for turnover in hotel industry was job content, poor working relationships with supervisors, working conditions, job work timings, size of restaurants, salary and other benefits. Finally, the results revealed that by retention strategies like providing better working condition, recognizing and appreciating the work done will increase the staff retention.

Nikitha and Narasimha, (2014) carried out a study about the causes and reasons of employee turnover and the need for employee retention in hotel industry. Finally, they concluded that it is the responsibility of the employer to understand the situation and create a better workplace with necessary benefits, so that people may stay.

2.2.7: Studies carried out using Secondary data

Bodjrenou, et al (2016) carried out a study to review the findings of previous studies conducted by various authors and to identify the factors of employee retention. All the employees of organizations are divided into three categories: directors, managers and employees. Through the study the major factors discovered for employee retention were development opportunities, work life balance, leadership, social support, work environment, autonomy and training and development. However, the factors: training and development and autonomy is less explored when compared to other factors of retention.

Nausheen and Sahar, (2015) carried out a study on previous literatures from 1947 to 2014. More than 60 papers were reviewed from which they identified work related and non-work related factors which affect employee retention. They were pay, promotion, social environment, working conditions, relationship with immediate supervisor, location of organizational location, justice and prestige, recognition,
balance work life, job satisfaction, involvement and content, training, job embeddedness, flexi work arrangements, status, career opportunities, organization values and beliefs, support from organization. Further the authors also identified reasons for employee turnover and they were: Job is not according to employee expectations, mismatch of person and job, lack of opportunities for growth, lack of trust and support, stress from overwork and opportunities elsewhere.

2.2.8: Studies carried among Retail sector

Priyanka and Poonam, (2015) examined a study to review the previous literatures and compiling the same to identify the factors affecting employee retention in retail sector. Findings of the study was ‘money is not the sole factor in retention’, but the retail sector should concentrate on creating opportunities linked with pay and provide different incentive plans. It should concentrate on retaining key employees especially working on the attainment of business goals. Further improving supervisor–subordinate relationships, increased job satisfaction and commitment, positive culture, improvement in reward system, are the vital factors where in the employers should look for.

Anshu, (2014) carried out an empirical study to find out the factors affecting employee retention among 50 employees in retail sectors. Results of the study was that monetary benefits proved wrong in retaining employees. But other strategies such as performance appraisal, welfare strategies, relationship with supervisor, level of trust and coordination, level of challenges offered, Indicated strong positive influence on Employee retention.

Priya and Vikram, (2011) examined a relationship between different HR components and retention of employees in retail sector in Lucknow city of Uttar Pradesh. Findings showed that there is a significant relationship between satisfaction of employees towards organizational policies and climate and retention. But there is no relationship between working conditions/quality of work life and Retention. Further a significant relation existed between Personal attributes and Retention.
2.2.9: Studies carried out among Educational sectors

Roy, (2015) The author conducted an exploratory study among 124 faculties working in management institutions in Bangalore. To examine whether length of service was associated with retention strategies. The study results revealed that training, appraisal system, compensation, empowerment, reward and recognition, work environment, career planning, supervisor support all had a significant association with length of service except for work life balance. It was also found that as the service increased faculties become unhappy with the reward system, appraisal system and superior support indicating that these are not the factors for faculty retention.

Ashu and Ambika, (2015) carried out an empirical investigation on 350 personnel from management of private professional institutes to analyze the critical factors like Selection process, Compensation policy, Growth opportunity, Career Development through promoting research, Participative management, Physical facility, Communication, Role Model, Open communication, Compensation, Personal development, Commitment, Hard work, Job fit, Learning opportunities, Peer support, needed for employers in attracting and retaining skilled staff members. Finally, the authors suggested that these factors are utmost important to private professional institutes. All these strategies which can assist these institutes in retaining faculties and helps to compete in the market.

Paul, (2015) carried out a study which aimed to investigate the factors with the intention of building platform for high retention workplace. For this research the respondents were selected from private colleges offering health science programs at Saudi Arabia. Of the respondents, both teaching and non-teaching staffs were considered. For the study the retention factors considered were – compensation and benefits, employee engagement, performance management, career development. Findings revealed a weak relationship between the factors and retention of staff. Further the author recommends that an extensive review and modification is required in the retention factors considered and the administration must move towards developing a people management/retention management model.
Gunjan and Feza, (2014) carried out a longitudinal research for 402 teachers of 17 B schools located in Delhi, Gurgaon, Noida, Ghaziabad and Faridabad. The aim of this paper was to examine the relationship among retention factors (viz satisfaction with pay, promotion opportunities, supervision, work schedule flexibility), organizational commitment with actual turnover. Results showed that pay satisfaction, satisfaction with supervision and satisfaction with work-schedule flexibility (retention factors), were found to have a direct and positive relationship with organizational commitment, but there was a negative relationship between turnover and organization commitment and also the variables satisfaction with pay and supervision were also found to be negatively associated with actual turnover, strongly indicating that policies for retaining the teaching staff has to be developed in lieu with these factors.

Suresh and Bishwajeet, (2014) The authors effort was to find the factors influencing student retention. The study developed a conceptual framework from the literature reviews and providing guidelines to educational administrator, faculties and students to work as a unit. Findings suggested that it is the responsibility of the educational administrator to find out reasons of degradation of students and suggest a suitable strategy to retain students.

Alireza, et al (2014) conducted a study which aimed at investigating the role of human resource management practices on retention of employees among 317 staff working in high schools in Sistan and Baluchestan province, Iran. The major findings of the study were that HRM practices had a positive relationship with employee retention. Further the hypothesis testing also revealed a positive relation with the factors such as satisfying employee’s social needs, social prestige, effective and correct management, using positive forces and by proper evaluation of employees’ performance.

Eric, et al (2012) carried out a study in higher education to know how employees regard the importance of compensation, training and development, empowerment, appraisal system as a means of retention of employees. A sample 278 individuals were selected for the study and it was statistically tested by using multiple regression analysis. The results revealed that out of the four independent variables only three had a significant relationship with employee retention; training and
development, compensation, and performance appraisal system. However, empowerment as a variable did not show any significant relationship. Indicating that as compared to pay, training programs, and feedback, empowerment was less fundamental to lecturers in higher education.

Rachit, et al (2011) carried out a study to understand the relationship of faculty retention at business schools. This study was purely based on secondary data. The authors concluded, that it is the responsibility of the institutional leaders to manage talents and make the teachers feel valuable and a feeling of belongingness towards institution and these faculties should be provided with professional development and growth opportunities so that they feel motivated and enhance their performance to excel in their areas.

Dolly, et al (2011) carried out a study on the factors related to talent management in higher education and retaining employees for organizational development and growth. The authors concluded that a contented and trained faculty/employee either leads to new heights or hamper the institution badly. Institutions should recognize the growing talent in this competitive environment and retain faculties.

Gift and Pamela, (2011) carried out a study on 436 employees in Ministry of Education, Zambia to analyze the perception of employees toward incentives and rewards, and the strategies which contribute to retention of MOE staff. The results showed that large portion of the employees perceived that the jobs are routine and satisfaction level is also low. At the same time perception of the staff towards rewards and recognition was positive and quite high. Further the authors recommended that while framing the policies, the policy makers should consult the employees. Freedom should be given to the staff wherein they can get the proposals before framing the policies; By doing this employee can be motivated and there may be high retention.

2.2.10: Studies carried out among Textile Industry

Shivaraj and Vijaykumar, (2015) examined a study on the importance of employee retention in textile industry and the impact of different variables on employee retention. The results revealed that a moderate positive correlation existed
between the factors like attitude towards job, Attitude towards company, service conditions, working conditions, welfare measures and wage & salary administration and employee retention. Finally the authors suggested that the organizations approach should be to create trust and supportive environment so that talented employees may stay for a long duration.

Nadeem, et al (2011) carried out a study where 120 respondents were considered from textile industries in Pakistan to understand the relationship between three independent factors and employee retention (dependent factor). The findings revealed that there is a strong positive relationship with career path and employee retention, compensation is also positively associated with retention further working environment is significantly related to employee retention but not as much as career path.

2.2.11: Studies carried out among BPO sectors

Mohan and Muthusamy, (2015) examined a study to assess the influence of employee retention among 150 BPO employees at Coimbatore city. The findings revealed that the reasons which make employees stay are – life style, pay, opportunity for promotion, secured job, free flow of information, interesting job, appreciation of work, good working condition, better facilities, sense of loyalty and growth prospects.

Kavita, (2014) carried out a study among 50 BPO employees to know what were the reasons for job switch off and the strategies adopted by these companies to retain its employees. The reasons for leaving the job was better salary elsewhere, work overload, relocation, or a better opportunity elsewhere. And the companies’ strategies to make these employees retain was group mediclaim insurances, personal accidental insurance, food at subsidized rates, transportation, company leased accommodation, recreation, cafeteria, ATM, Gym, health care, loans and choice of rewards.

Gayathri, et al (2012) carried out a research, which included 132 middle level BPO employees, Bangalore. The study was done to identify the factors influencing the retention of these employees. Results revealed that the factors which made the
employees stay at BPO sectors were encouragement and recognition, competitive compensation, well equipped and safety environment, good infrastructure. Any organization which implements these factors find it possible to retain its employees.

Muhammad and Muhammad, (2011) conducted a study among 50 managers from different BPO organizations in Pakistan. The investigation was carried out to know the impact of variables like work environment, career development, supervisor support and work life balance, on retention of employees. Results revealed that all variable had a positive and highly significant relationship with employee retention.

2.2.12: Studies carried out among Pharmaceutical sector

Latha and Krishnaraj, (2015) carried out an empirical study on 150 employees from 3 different pharmaceuticals companies, Chennai. This study was conducted to identify the major factors influencing retention of employees. The findings suggested that a challenging work, constant training, direction, recognition and rewards, career developments are to be practiced in the organizations for retaining employees. During the research 68% of employees expressed positivity towards employee engagement, which is an indication that engaged employees are less likely to quit organizations. Finally, authors concluded that companies should learn from exit interviews and employee grievances. Adhering to these complaints retention can be done in best possible way.

Kishore, et al (2014) carried out a study to examine the association of employee retention practices among 150 respondents, where Medical Representatives(MR) and Area Sales Manager(ARM) of Pharmaceutical sectors in three districts, Telangana, and to check the association based on their designation, marital status, qualification, nature of employment, and income. Findings revealed that there is non-significant difference between the MRs and ASMs opinion towards the employee retention practices. Post graduates and Graduates employees working in the sectors also revealed a non-significant difference. But there is a significant difference observed between the permanent employees and contract employees for the retention practices. Further the results of married employees and unmarried employee also revealed a non-significant difference. Lastly the opinion of various income groups towards retention practices was also found to be non-significant, indicating
qualification, income, married /unmarried, designation has not played any role in retention of employees in these sectors, and only the nature of employment had significantly influenced the retention practices.

Deepti and Somesh, (2013) examined a study among 125 employees of different pharmaceuticals in Dehradun city. The study investigated the influence of compensation and benefits, HR policies, supervisor –subordinate’s relationship, work pressure on employee retention. Finding revealed that majority of respondents believe that HR policies are employee centered, information is given to employees at the right time, expectations of employers are met by employees, there is no discrimination in work, ‘equal work equal pay’, recognition for the efforts, there is high level of motivation at work, employees feel that employers are easily accessible, performance is linked with rewards (retention bonus, foreign trips), all these indicating high retention.

Atif, et al (2011) carried out a study among 320 respondents from pharmaceutical industry, Pakistan. This research was done to investigate the relationship between job satisfaction, supervisory support, compensation and employee retention towards organizational commitment as a mediating variable. The results indicated that Positive relationship existed between supervisory support, compensation and organizational commitment. Further job satisfaction and employee retention had a significant relationship towards Organizational Commitment, indicating that an employee who is satisfied, well paid and who has good relationship with his superior will remain in the organization for a long duration and stay committed.

2.2.13: Studies carried out among in Medical Centre

Adanma and Rita, (2015) carried out study among the 30 respondents of federal medical care, oweri. Out of 30 respondents, 5 were managers and 25 were non-managers. The purpose of this research was to analyze that whether motivation is a tool for retention by using a statistical tool of correlation. Further the results revealed that motivation (subject to job satisfaction) is a core factor in retaining employees among managers and non-managers.
Malvern, et al (2010) carried out a research, by using a case study which included 2240 respondents from major private sector medical laboratory company, Zimbabwe. This study aimed at identifying the reasons for labour turnover and the current retention practices in the organization. And the results of the research showed that labour turnover is higher among non-managerial employees and the number would increase in the upcoming years the reason being poor reward system at the organization. The retention practices at the organizations were non-financial rewards such as subsidized lunch, uniforms, educational and housing loans, and medical aid for non-managerial. Staff retention practices for managerial staff were; company car, loans, subsidized lunch, allowances, fuel, education, company cell phones, holiday bonus and most of all retention bonus. Finally, the author opined that, that is the reason why retention rate is high at managerial level and low at non-managerial level.

2.2.14: Studies carried out among Manufacturing Sectors

Owais and Neerja, (2015) carried out a study on retention strategies in Fiat Automobile industry. The data was collected from HR Manager of the industry. Results revealed that industry has taken initiatives like, Training and development programs, employee bonding, recognition of skills, effective communication, compensation, conducting exit interviews, redressal of grievances, performance management system, succession planning, and providing motivation to retain employees. Finally, authors concluded that despite taking initiatives for retention the attrition rate were still high because of other market condition, location etc.

Silpa, (2015) conducted a study where 150 employees of medium scale manufacturing industries from Ananta Pvc Pipes Private limited, Ananthapur were chosen. The purpose of the study was to know the various reasons for attrition and the retention strategies used in Ananta Pvc Pipes industry. Findings revealed that the reasons for attrition was identified and ranked according to the mean values. Lack of opportunity for advancement was the major reason for attrition and was ranked first, followed by job and employee mismatch, no support from supervisors, unpleasant working environment, lack of training facilities and so on. And the strategies adopted to cope with attrition was ; update and modify the skills of employees, concentrating on job rotation, improving the role of HR, improving the recreational facilities so that employees can be retained for long duration.
Deepa and Shivani, (2014) conducted a study on the factors which influence the intentions of an employee whether to stay or leave. This research included experts of shipping companies from Kutch, Gujarat. The researcher used Delphi technique. Finally, these experts believed that retention strategies adopted by the shipping companies to address the attrition problems should be analyzed further to check their effectiveness.

Parul, (2014) in her study on the analysis of retention practices at Rajasthan Plastics Manufacturing Firm. Findings revealed that the best practices adopted at the firm for retaining employees were; fair compensation and sufficient benefits, preparing employees to professionally develop, proper recruitment and orientation, guidance given to employees to balance work and life, Wellness initiatives and solid workplace, employee work as teams, best appraisal practices. Finally, the authors opined that, these retention practices would help the firm to maintain the low rate of labour turnover.

Naresh, et al (2013) examined the relationship between various factors and employee retention in National thermal power corporation ltd, Ramagundam, in which 130 respondents were chosen. Organizational Culture and Value, Benefits, Management Support, Medical Facility, Job Profile were the factors considered for study. Results revealed that benefits were the top priority for retaining employees. The second priority was organization culture and value followed by management support, medical facility and job profile.

Atul and Agarwal, (2013) tried to understand the impact of retention strategies on employee turnover in sugar industry in India. Results showed that by improving retention strategies the employee turnover can be reduced. Retention helps the organization in reducing turnover cost, avoid the loss of company information, work will not be interrupted, efficiency can be regained and the productivity increases.

Sneha, (2013) examined a relationship between employee’s job satisfaction and retention rate. Data was collected from chemical company employees located at Bharuch district. The major findings of the study were rapport with manager is good, employees are recognized and rewarded on timely basis, credits of the company are
shared, employee takes care of the company equipment’s and the company infrastructure, freedom is given to employees to take decisions and employer and employee share their responsibilities, employees enjoy their work, the policies and practices of the companies are voluntarily accepted by the employees and all these indicates that retention has a positive relationship with job satisfaction and only satisfied employees tend to stay in the organization for a longer duration.

Mahalakshmi and Bala, (2012) in their study on the concepts of employee retention in manufacturing industry and the difficulties in implementing employee retention strategies. It is a known fact that employee retention is very important for the success the long-term health of the organization. Despite this, there were difficulties faced by employers in retaining employees and the reasons were; wrong recruitment process, no supportive environment and dissatisfied employees. Treating employees like our most valuable clients is the secret of retention.

Sunil and Suman, (2012) carried out a study among 170 employees of OCL India. The purpose of the study was to examine the employee performance management and its impact on retaining employees. Findings revealed that the organization has a good appraisal system, employees are also concerned about the organization, timely support and encouragement is provided by the employers, feedback /suggestions/ views of an employee is given due consideration, employees are loyal and dedicated toward work, employees are also allowed to participate in management activities, much freedom is given so that they perform their work more creatively. Authors finally concluded that performance management helps them achieve their goals on time and develop skills, capability so that they can satisfy their ambition and increase the firms profit. This is an essential tool to control employees from quitting.

Manohar, (2012) carried out a conceptual study which focused on innovative strategies to retain employees of micro and small enterprises. Several literatures were reviewed relating to flexibility and freedom of employee, motivation and training, benefits and compensation, assistance and communication, growth and involvement of employees. Finally author concludes that innovative strategies like Assignments to be given to employees based on their capabilities, Freedom should be given to take
decisions related to their work, opportunities should be created so that they can learn and utilize the same, feedback on timely basis should be given, inspiring and motivating employees on to new ideas so that goals can be achieved, a leadership style most suitable should be adopted, success and credits should be shared among employees, a sense of belongingness should be developed along with rewards and appreciation were suggested to retain employees at MSME.

Balanaga and Vijayalakshmi, (2012) in their study focused on the tools used to retain employees in automobile industry, Tamil Nadu. Authors concluded that working environment and organization culture were highly significant in determining job satisfaction and employee retention. Rewards and recognition was the next influencing variable. But there was no association between gender, length of service and retention strategies. Further an association had been found between organization hierarchy and length of service. Finally, by adopting all these retention practices organizations can retain its employees effectively.

Himanshu, (2011) carried out a study to know the retention strategies employed in manufacturing industries and reasons for employee turnover. They concluded that the top five major reasons for employees leaving industries were, insufficient salary, lack of profession development, monotonous jobs, poor work life balance, stress and unfair treatment. However, the strategies that were important for employee retention in these industries were motivation and employer–employee relationships.

Omesh, (2011) carried out a study among 50 workers, who were randomly selected from ABC LTD. The research intended to identify reasons why people quit and to identify the strategies adopted by the companies to retain its workers. Results revealed that there was no security for the job, and there was no appreciation nor recognition for the work performed, perception of management and workers were different, working hours were longer and there was no flexibility in their jobs. These were the reasons why workers do think about leaving. At the same time strategies, were also implemented to retain employees like providing monetary benefits, promotion and retention bonus.
Muhammad, et al (2011) carried out a study to find out the reasons why employee are retained in leather sector in Pakistan. The authors concluded that good career prospects, attitude of an employer towards their employees, employee loyalty, proper balance of work and family, secured job, ample amount of opportunities at the sector were the reasons for retention of employees.

Khor, (2005) carried out a study on the impact of attrition in aerospace industry, Malaysia. Lack of development, lack of periodic reviews, and less compensation were major factors for high attrition in this industry, and the efforts were being made to work on this so that attrition rates could be reduced. The author thus concluded that the problem of attrition could be managed only by focusing on employee retention.

2.2.15: Studies carried out among Insurance companies

Hebbar, (2014) carried out a study among 250 Insurance advisors, of CICI Prudential Life Insurance Company Limited, Bangalore. This research aimed to examine the effectiveness of retention methods at ICICI Prudential Life in retaining insurance advisors, and check whether these Insurance advisors are satisfied with ICICI Prudential Life. The main findings of this study were that there were no limitations of number of advisors recruited each month and each year. These advisors were not happy with paper work done at the company and the operations of back office department. Ambience was not up to the mark and all advisors were treated as outsiders. Rewards were not delivered on time and these advisors were not at all aware of the company hierarchy. Finally, the author concluded that the satisfaction level of insurance advisors can be increased by adopting these factors like supervisory support, performance feedback, compensation and benefits, conducive work environment which also helps in retaining advisors.

Swati, (2013) carried out a study on retention among 591 respondents, chosen from Indian banks and insurance companies. And the author concluded that recruitment and retention has strong relation when employees are committed and are intended to stay. The reason is that better recruitment can lead to better retention of employees.
SECTION II:

2.3 RESEARCH GAPS

- Very few comparative studies on ERS are found.
- Studies that were carried out in Mysore District also had no comparative studies.
- No studies were found which measured the relative strength of each retention strategy in retaining employees.
- It was also found that the studies concentrated on very few strategies, however there were several strategies that contributed to retention of employees.
- The perception of employers and the employees towards the reason for employee attrition was also not found.

2.4 CHAPTER SUMMARY

This chapter covers introduction on review of literature, comparative studies among public and private sector, studies carried out among banking sector, studies among organizations in general, studies among telecommunication sector, studies among hotel industry, studies carried out from secondary data, studies among retail sector, educational sector, textile sector, BPO’s, IT, MNC, ITeS, Pharmaceuticals, medical center, Manufacturing sector, and studies among insurance sectors. The research gaps were identified after extensive review.