CHAPTER – V

FINDINGS AND SUGGESTIONS

5.1 INTRODUCTION
5.2 MAJOR FINDINGS
5.3 VERIFICATION OF HYPOTHESES
5.4 GENERAL DISCUSSION
5.5 SUGGESTIONS
5.6 GENERAL SUGGESTIONS
5.7 FUTURE RESEARCH DIRECTIONS
5.8 LIMITATIONS
5.9 CONCLUSION
CHAPTER – V

FINDINGS AND SUGGESTIONS

5.1 INTRODUCTION

The researcher has made an attempt to discuss the results of the research work carried out. Based on the finding and results of the research, conclusions and recommendations have been provided.

5.2 MAJOR FINDINGS

• Comparative analysis of perception of ‘employers’ of Manufacturing and IT firms on the reasons for employees leaving the organization revealed a similar view on all the strategies; except for insufficient training and development. However, in the perception of ‘employees’ of Manufacturing and IT had a different view on the variables; lack of employee engagement, lack of motivation and low morale.

• The difference in the perception of employers and employees irrespective of the sector revealed that there were significant differences on most of the variables of Employee retention strategies; performance appraisal system, motivation, training and development, morale, job satisfaction, employee engagement, career development and team building except compensations and employer employee relationship.

• The comparative analysis of various retention strategies adopted among Manufacturing and IT firms in the opinion of respondents, revealed that there was similarity in the pattern of adoption on all the strategies, except for ‘performance appraisal system.

• The ‘strategies that were important for retaining employees’ in the opinion of employers were similar on most of the strategies in both manufacturing and IT firms except for compensation and performance appraisal system. However, there was a different view among the employees on the variables; compensation, performance appraisal system, career development, motivation, job satisfaction and morale.
Employers of Manufacturing and IT firms had similar view on the ‘strategies that were available in the organizations for retaining employees’. However, employees differed on the variables; employee engagement, training and development, employer employee relations, job satisfactions and morale.

Relative strength of each retention strategy was analyzed based on the perception of employers of manufacturing firms ‘performance appraisal system’ had the highest relative strength followed by ‘job satisfaction’ and the least important was ‘compensation’. However, the perception of employers of IT firms’ ‘performance appraisal system’ had the highest relative strength followed by ‘training and development’ and the least important was ‘compensation’. According to the perception of employees of manufacturing firms ‘job satisfaction’ had the highest relative strength followed by ‘employer employee relationship’ and the least important was ‘career development opportunities’. However, the perception of employees of IT firms’ ‘performance appraisal system’ had the highest relative strength followed by ‘Team building’ and the least important was ‘motivation’.

The influence of gender and experience on the perception of respondents was not found, as no significant difference was observed on all the variables of employee retention strategies.

5.3 VERIFICATION OF HYPOTHESES

5.3.1 Hypothesis 1

H01 : Employers and employees of manufacturing and IT firms do not differ in their opinion on the reasons for employees leaving the firms

H1 : Employers and employees of manufacturing and IT firms differ in their opinion on the reasons for employees leaving the firms.

In the opinion of Employers’, the null Hypothesis 1 has been accepted on all the variables of employee retention strategies; Insufficient salary, Lack of career development opportunities, Poor appraisal systems, Lack of Employee engagement, Job dissatisfaction, Lack of Motivation and Low morale. However, it has been rejected on the variable; insufficient training and development.
In the opinion of employees, the null hypothesis has been accepted on the variables of employee retention strategies; Insufficient salary, Lack of career development opportunities, Poor appraisal systems, Job dissatisfaction, insufficient training and development however, it has been rejected on the variables; Lack of Employee engagement, Lack of Motivation and Low morale.

To support the view that training and development is a major factor in retaining employees, a study conducted by Khawaja and Nadeem titled, “Training and Development Program and its Benefits to Employee and Organization: A Conceptual Study” reveals that, employee retention is a challenging task and there is no single method to retain employees in organizations. Several organizations have opined that to retain employees offering them opportunities for improving their learning is one of the characteristic that can help organizations (Logan, 2000).

Employees have opined that lack employee engagement; lack of motivation and low morale was the reason for employees leaving the organization. However, some studies have put forth a similar view. The author Bhanupriya, (2015) has tried to explore the relation between organization culture, employee engagement and retention. The authors concluded that culture which speaks about the organization plays a vital role in retaining employees and engaged employees at work are very essential for retention. Hence, culture and employee engagement are positively related to employee retention. Adanma et al (2015) carried out a study, where a total of 30 respondents; five managers and 25 non-managers from federal Medical Centre, Oweri were considered. Using correlation this study analyzed that whether motivation is a tool for retention. Further the results revealed that motivation (subject to job satisfaction) is a core factor in retaining employees among managers and non-managers.

The Results clearly revealed that the training and development as a strategy for retaining employees was sufficiently found both in manufacturing and IT sector. However, there was a significant difference between respondents of IT and Manufacturing. The percentage of respondents who said that there was insufficient training and development was little higher in IT than in manufacturing sector, the reason could be that the nature of jobs between Manufacturing and IT are quite
different and the employees of IT sector are trained in general before they are absorbed for jobs. Hence the employers of IT felt that training and development as a strategy for retention was not considered seriously. The organizations should understand the importance of training and development, because a trained employee is not only a performer but also the reason for improvement in productivity. The confidence of an employee to perform well develops only when he has sufficient training.

Further the employees view revealed that employee engagement as a strategy was found to be reasonably fair in both Manufacturing and IT sector. However, there was a significant difference found between the respondents of Manufacturing and IT sector. The percentage of respondents who said lack of employee engagement was slightly higher among the IT employees. The IT sector needs to make efforts to improve its employee engagement as a strategy for retaining employees. Motivation as a factor for employee retention was good in both manufacturing and IT sector. However, a significant difference was found among the respondents of manufacturing and IT sectors. Respondents’ agreement towards the reason ‘lack of motivation’ was slightly higher among the IT respondents. The reason could be that the employees of IT firms have wide opportunities elsewhere and the tendency of them to quit is likely to be more. Moreover, IT employees always look for better prospects and are less motivated. Hence the employees consider motivation as a moderate factor for retaining employees. Morale as a strategy was also found to be a factor for retention among both manufacturing and IT sectors. However, a significant difference was observed between the respondents of Manufacturing and IT sectors. The percentage of respondents who opined that low morale was one of the reasons for leaving was slightly high among the IT employees. The author infers that IT employees always look for better prospects elsewhere and easily get poached by the competitors. Hence the IT sectors must boost the morale of such employees so that they develop loyalty towards organization and stay committed to organizations.
5.3.2 Hypothesis 2

H0₂ : Employers and employees do not differ in their perception towards retention strategies

H₂ : Employers and employees differ in their perception towards retention strategies.

The Null Hypothesis is rejected, for all the variables; performance appraisal system, career development, employee engagement, training and development, motivation, morale, job satisfaction and team building. However, it was accepted for the variables compensation and employer-employee relationship.

Employers and employees have different opinion towards the various retention strategies. The reason could be that the compensation as a factor is always perceived to be less from employees’ point of view and more from employers’ point of view. Hence on compensation as a strategy one could not expect a similar view. Further the relationship between employer and employee is always crucial that when an employee quits it is that, he leaves the boss, not the organization and this has been stated as one of the reason for leaving when asked in the exit interview.

A study by Ajay and Srinivas, (2016) was carried out to understand the opinion of employees towards various employee retention strategies and identify the important retention strategies which can work well for all employees of IT sector so that employees can be retained for longer period. Findings of the study revealed that employees of different job level differ significantly in their perception for communication effectiveness strategies, reward & recognition strategy, and employee’s ideas & suggestion strategies, respectively. There are no significant differences in perception of employees of different job level for management & organizational strategies, orientation strategies, and employee benefit strategies.

In the present study, the perceptions of employers and employees towards the retention strategies was different for all the variable, except for compensation and employer employee relationship. The perception of an individual varies according to his thinking and the importance of things. It is always perceived differently by different people taking into consideration the relevancy or benefits of the factors.
Most of all the respondents perceived the strategies differently was that because they belong to two different sectors.

5.3.3 Hypothesis 3

H0₃ : Manufacturing and IT firms do not differ in adoption of employee retention strategies

H₃ : Manufacturing and IT firms differ in adoption of employee retention strategies.

The null hypothesis has been accepted on variables motivation, training and development, morale, job satisfaction, employee engagement, career development, compensation, team building and employer-employee relationship; however it was rejected on the variable performance appraisal system.

The results revealed that Manufacturing and IT firms adopted similar strategies in retaining employees except for performance appraisal system. It can be inferred that irrespective of the sectors (Manufacturing/IT) the retention strategies were similar as the reason could be that all these strategies were equally important in retaining employees. However, the firms differed on the variable performance appraisal system as the criteria considered for appraising the individuals is different between sectors.

Sangeeta and Malati, (2011) carried out an exploratory study for 100 BPO employees selected from Genpact and HCL to know the determinants affecting employee retention and to identify the reason for employee turnover at these companies. Results revealed that employees were leaving, because they were dissatisfied with pay, disputes with co-workers, health issues, relocation and instability of the company. Further the determinants which retain employees were their current job, the immediate supervisor, the department in which he works, the management towards whom he is committed, the benefit he receives, and the pay. The authors suggested that there is no single strategy as to how companies should retain its employee, rather they should understand people don’t quit on their own, it is the companies which compel them to leave.
Another study by Sayma, (2011) which was carried out on 387 respondents from different sectors like service, textile, gas, blue chip, pharmaceutical and oil (Pakistan) to understand the effect of organizational team building on employee morale and retention. Hypothesis were framed to check the relationship of the factors and the results revealed employee morale and employee retention has a long term positive association with team building. Further the author concluded performance of the team, contributions made by individuals, evaluation of teams and coordination between them also had a positive relationship between employee morale and retention. But there was no significant effect of team unity on morale and retention.

In the present study, it can be inferred that the strategies; compensation, career development opportunities, motivation, morale, team building, training and development, job satisfaction, employee engagement, employer employee relationship considered are equally important in retaining employees. There has been similarity among Manufacturing and IT firms in adopting strategies and these strategies are termed as basic retention strategies for organizations survival and growth. However, a different view was observed among the sectors on the variable performance appraisal system. The IT firms consider retaining top performers in their organization, whereas the Manufacturing firms consider retaining all employees irrespective of their performance.

5.3.4 Hypothesis 4

**H0₄**: Respondents of Manufacturing and IT firms do not differ in their opinion on the ‘strategies that are important for retaining employees’

**H₄**: Respondents Manufacturing and IT firms differ in their opinion on the ‘strategies that are important for retaining employees.’

According to employer’s opinion, sector wise comparison shows that the null hypotheses is accepted on most of the variables of Employee Retention Strategies; career development opportunities, training and development, team building and employer-employee relationships the respondents did differ in their opinion on the strategies that are important for retaining employees. However, it was rejected on the variables; ‘compensation’ and ‘performance appraisal system’.

According to employee’s opinion among both Manufacturing and IT firms the null hypotheses is accepted on the variables; employee engagement, training and
development, team building and employer-employee relationship. However, it was rejected on the variables ‘compensation’, ‘career development opportunities’, ‘performance appraisal system’, ‘motivation’, ‘job satisfaction’ and ‘morale’.

Employers of manufacturing and IT firms have similar view on most of the employee retention strategies that are important for retaining employees. Several retention strategies become important in retaining the employees in any organization. Any number of strategies chosen by an organization would help in retaining employees. Hence several strategies which have been chosen by the researcher for this study are also important for retaining the employees. However, there was difference of opinion on ‘compensation’ and ‘performance appraisal system’. Salary is always denoted as an unsatisfied factor irrespective of sectors. The parameters considered for rating the performance of an individual is different in different sectors. This could be the reason for having a different of opinion on these two variables.

The employees had similar view on few of the strategies and differed on certain strategies; ‘compensation’, ‘performance appraisal system’, ‘career development opportunities’, ‘motivation’, ‘job satisfaction’ and ‘morale’. The reason is employees are from two separate organizations and the level of understanding the strategies varies. Further the above-mentioned strategies agreement is more among the respondents of manufacturing firms as compared to IT firms. The reason could be that for any individual the amount of compensation is defined according to his expectations and needs. Career opportunities are very different in manufacturing and IT firms. Job satisfaction level varies according to the individual needs, Motivation as a strategy was given more importance in Manufacturing sector. Morale was on the higher side in manufacturing sector. Further the performance appraisal system is totally different in manufacturing and IT firms.

Some of the studies have put forth the similar views. Deepti, (2014) examined the relationship between turnover and job hopping intentions and its effect on employee engagement among 210 employees belonging IT/ITES companies in Delhi/NCR region. The major findings of the study were that job hopping was statistically significant towards high turnover and low employee engagement. But
employee engagement had a negative correlation with turnover intentions. So, engaging employees at workplace is essential for their retention.

Another study by Sorasak, et al (2014) was conducted to know the effects of Human resource management practices on employee retention in Thailand’s MNCs. A sample of 411 managers, which included top management, 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 is employee engagement.

A study by Biju, (2015) was an attempt to study the influence of HRM practices on employee retention, which included 252 officers and non-officers from private and public banks. The determinants considered for the study was Superior support, career development opportunities, working environment, rewards, work life policies, and recognition. Results revealed a positive relationship between practices of HRM and employee retention. Further the study also indicated that the reasons for employee leaving were also ranked. In the order of ranking was ‘career development opportunity’ at the top followed by ‘recognition’, and ‘work environment’. The author opines that the banks must concentrate on growth prospective, the working environment for better retention strategy.

In this present study, the retention strategies in the opinion of the employers of both Manufacturing and IT were on the positive side towards the importance of ERS. However, on Compensation the IT sectors attached higher importance as compared to manufacturing sectors. For the factor ‘Performance appraisal system’, the Manufacturing sector attached higher importance as compared to IT sector. It is clear that IT employers give importance to compensation to retain employees and Manufacturing sectors give preference to performance appraisal system to retain employees. Similarly, in the opinion of employees both the sectors were on the positive side towards the importance of ERS. However, Manufacturing sector was on the higher side on several strategies; Compensation, Job satisfaction, career Development, motivation and morale. The finally author infers that IT employees are more ambitious, known for job hopping, go up the career path at a faster pace and
hence consider these strategies for retaining them as less important when compared to employees of manufacturing sector.

5.3.5 Hypothesis 5

H$_{05}$ : Manufacturing and IT firms do not differ in their opinion on the ‘availability of Employee Retention Strategies’.

H$_{5}$ : Manufacturing and IT firms differ in their opinion on the ‘availability of Employee Retention Strategies’.

According to the employers’ opinion, the null hypotheses has been accepted on all the variables of employee retention strategies as the respondents do not differ in their opinion on the strategies that are available for retaining employees. And in the employees’ opinion the null hypotheses is accepted on the variables compensation management, career development opportunities, motivation, performance appraisal system, and team building. However, it was rejected on the variables, ‘employee engagement’, ‘training and development’, ‘employer employee relationship’, ‘job satisfaction’ and ‘morale’.

Employers of Manufacturing and IT firms have similar view towards the availability of Employee Retention Strategies, and are of the opinion that all these variables are available in their organizations. The reason could be that no employer would let the company down when asked about the retention strategies because it is related to the reputation of the organizations. It further clearly revealed that the employers were not ready to accept the lack of availability of these strategies in their organizations.

The employees of Manufacturing and IT firms had a similar view on several strategies, however they differed on strategies; ‘career development opportunities’, ‘employee engagement, motivation’, ‘job satisfaction’ and ‘morale’ in which manufacturing firms had higher agreement towards these retention strategies when compared to employees of IT firms. The author infers that, employees of manufacturing firms are more committed and loyal as compared to IT employees. The tendency of these employees to leave the job is likely to be less as compared to IT employees. It has been observed that employees of IT employees always look for better opportunities and easily get poached.
Some of the studies have put forth the similar view. A study was conducted by Ramakrishnan, et al (2013) to explore the relationship between employee engagement and employee retention revealed that retention of employee can be improved by increasing the level of employee engagement indicating an engaged employee in an organization is more satisfied and committed and stays in the organization for a longer duration.

Another study by Sandhya and Pradeep, (2011) on employee motivation as an important factor for employee retention concluded that employee retention can be practiced better by motivating employee in the aspects of open communication which enforces loyalty and commitment among the employees. Gireesh and Santhosh, (2014) aimed at identifying dimensions of retention in BPO industry, Kerala. Different dimensions considered for the research were job support & recognition, compensation and career growth, work compatibility factors. Results revealed that there is a highly positive and significant relationship between different dimensions and employee stay in BPO sectors. Further the most influential dimension among all the dimension was compensation & career growth, respondents indicated highest percentage of agreement for their stay in the organization towards compensation & career growth.

The researcher can now clearly infer that the employers view was similar among the manufacturing and IT sectors. Protecting the company image and reputation also lies with the employer. Further it can also be understood that the employer of any organization either willingly or unwillingly must have positive opinion about the availability of ERS. Hence this could be the reason for having similar view. However, the employees’ opinion differed on few of the strategies, where the agreement of respondents was higher among manufacturing sectors as compared to the respondents of IT sectors. The author infers that the level of understanding varies among employees of different sectors. Moreover, these strategies also depend on the benefits attached to it.
5.3.6 Hypothesis 6

H0₆ : Each employee retention strategy (compensation, team building, job satisfaction, employee engagement, employer and employee relations, training and development, motivation, performance appraisal system, career development and employee morale) does not have its own relative strength in retaining employees

H₆ : Each employee retention strategy (compensation, performance appraisal system, team building, job satisfaction, employee engagement, employer and employee relations, training and development, motivation, career development and morale) has its own relative strength in retaining employees.

The null hypothesis has been rejected as each strategy has its own strength in retaining employees.

According to the perception of employers of manufacturing sector the relative strength of each retention strategy was ranked in the order of most important to least important and they were as follows; performance appraisal system, job satisfaction, motivation, training and development, team building, employer-employee relationship, career development opportunities, morale, employee engagement and the least was compensation management. Further the relative strength of each retention strategy in the order of the importance as perceived by employers of IT sector were also ranked and they were as follows; performance appraisal system, training and development, job satisfaction, morale, career development opportunities, team building, motivation, employee engagement, employer employee relationship and the least important was compensation management.

Taking into consideration perception of employers of manufacturing sector the relative strength was significantly found for all the retention strategies. Further when they were ranked in the order of importance manufacturing firms considered ‘Performance appraisal system’ to be the most important strategy for retaining employees, and this was found to be similar among employers of IT as well. This clearly indicates that a fair performance appraisal would go a long way in helping
retaining employees in both sectors. However, both employers of manufacturing and IT firms attached least importance to ‘compensation’ as a strategy for retaining employees. This indicates that compensation practices followed by both Manufacturing and IT are quite fair and hence does not play a significant role in retaining employees.

However, the perception of employees of manufacturing sector had a different view when the strategies were ranked in the order of importance. The strategies in the order of importance of were as follows; job satisfaction, employer employee relationship, morale, training and development, employee engagement, team building, motivation, performance appraisal system, compensation management and least important was career development opportunities. Similarly, the employees of IT sector when ranked in the order of importance they were as follows; performance appraisal system, team building, training and development, job satisfaction, employer employee relationship, morale, compensation management, employee engagement, career development opportunities and the least important was motivation.

Taking into consideration the perception of employees of both manufacturing and IT sectors each strategy was found to be relatively important where all strategies had scored above the average percentages. However, the perception of employees of manufacturing firms had attached highest importance for ‘job satisfaction’ followed by ‘employer employee relationships’ which clearly indicated that employees of manufacturing firms were less satisfied as compared to the employees of IT and the relationship between ‘employer and employee’ was ranked last among IT indicating that employer employee relationship did not play a significant role in retaining employees of IT sector. However, among manufacturing sector employees attached least importance to strategy ‘career development opportunities’ indicating that better prospects offered by manufacturing firms did not contribute to retaining employees.

Further in the perception of employees of IT firms ‘performance appraisal system’ was most important for retaining employees followed by ‘team building’. This clearly indicates that the employees are attaching importance for a fair performance appraisal system in IT firms. However, the employees expressed motivation to be least important strategy for retaining employees and this indicates
that employees are already motivated and need no further motivation for retaining them in their organizations.

To support this view, a study was carried out by Satish and John, (2015) to determine the various strategies adopted by garment industries in retaining their employees. The factors considered for the study was; salary, communication, job security, recognition and rewards, career opportunities, supervisory support, flexi time, working environment, and organizational justice. The research finding showed salary was the main reason for employees to stay at the factory as it was ranked first, the next important strategy was job security and other strategies were also influencing in retaining people. Further age and employee retention was positively associated.

Another study carried out by Ananthan and Sudheendra, (2011) highlighted the employee retention strategies that were adopted by Indian firms and MNCs in Bangalore. The responses were elicited using a self-structured questionnaire. A hierarchical analysis was employed to analyze whether retention strategies influence the retention of employees. The strategies were further ranked in order of their influence from the maximum to minimum. Finally, results revealed that out of all the strategies, ‘orientation strategies’ had the maximum influence in retaining employees followed by ‘training and development’, and then ‘management/organizational strategies’. The strategy that influenced least was ‘reward and recognition’.

In the present study, the researcher finally inferred that all strategies had its own relative strength in retaining employees. According to the perception of employers Manufacturing and IT sectors considered performance appraisal system as the most important strategy for retaining employees and the least was compensation management. From this it can be inferred that employers are looking for performing employees who can contribute towards the organizations growth and that is the reason why employers felt that performance appraisal was most important as a retention strategy. Hence in the view of employers, if employees perform well over the job, compensation would automatically be linked to it, so compensation as strategy to retain was considered least important.
The researcher finally observed that the employees of manufacturing sector attached more importance to job satisfaction indicating that the manufacturing firms needs to design programs to see that employees are satisfied with their jobs. Employees IT firms seemed to have attached highest importance to performance appraisal as a strategy for retaining employees. From this the researcher infers that a fair performance appraisal system would go a long way in retaining employees of IT sector. IT employees require performance feedback on regular intervals which enhances their performance. But the motivation as a factor for retention was considered least important. The author finally infers that each strategy plays a crucial role in retention. Irrespective of the firms (Manufacturing/IT) strategies would help organization in reducing labour turnover and helps to reduce the attrition rate. There is no single strategy which holds good in retaining employees, all strategies are equally important for retaining employees so it is only the effort from the employer to retain employees for longer duration by implementing either of the strategies or all the strategies, so that the employees can be prevented from being poached by the competitors.

5.3.7 Hypothesis 7

\( H_0 \): Secondary variables (gender, experience) do not influence the perception towards employee retention strategies

\( H_7 \): Secondary variables (gender, experience) influence the perception towards employee retention strategies.

Null Hypothesis is accepted as gender and experience did not significantly influence the perception towards employee retention strategies.

In the present study, gender and experience did not influence the perception of respondents towards retention strategies and the pattern of responses was similar in both Manufacturing and IT firms irrespective of different gender and different years of experience. It can be inferred that people have their own set of reasons to stay in the organizations.

Some studies which had opposite view were observed by the researcher. A study by Minu and Roopa, (2012) was conducted on 30 IT professionals including
Indian IT companies and MNC companies was found that the respondents had no significant difference in their response towards various factors of employee retention. However, a significant difference was observed in demographic profile which included employees’ total experience and position. Another study by Shanmugam, et al (2012) carried out a study on retention of employees in general and in specific considering 60 employees of Wipro technologies. The purpose was to study the five major factors of retention (pay and benefits, career growth, Training & development, Conducive environment and Job satisfaction) would have an impact on employee retention. And, the author has attempted to study factors impacting two age groups 20-30 & 30-40. And draws a conclusion that very large group of people had one to two years of experience. All factors considered for the study are important in retaining employees. Further the correlation between the age groups and employee retention was found to be insignificant indicating that, employees who come under the age group of 20-30 priority of factors are different and people who are in the age group of 30-40 have different priorities and hence no correlation was found. Another study by Poongavanam, (2015) revealed that they were satisfied with welfare facilities, opportunities given and with the job. But many employees were not happy with rewarding system. Further there was no significant relationship with career development and gender, but a significant relationship was observed between work experience and levels of satisfaction.

In the present study the researcher found that Gender and Experience as independent variables did not make a significant impact on the perception of respondents. This clearly reveals that both male and female employees view the various ERS in the same manner and the Gender as a factor does not have any effect. The same was found with experience as an independent factor. The author thus infers that the employees having varied length of experiences also feels that the various retention strategies are important for retaining employees. Retention Strategies which are framed in organization are framed in general keeping in mind all the employees of the organization, irrespective of different hierarchy or cadre. This is because each employee is very important for organization irrespective of their gender and experience. This could be the reason why gender and experience did not influence the perception towards various employee retention strategies.
5.4 GENERAL DISCUSSION

The author observed that in the opinion of employers, on the reasons for employee leaving the organization, there was a similarity on most of the variables except training and Development. However, both the sectors had positive opinion about training and development in which manufacturing sector had better view about the sufficiency of training and development as compared to IT sector. This clearly shows that there might some amount of inadequacy of training and Development in IT sector. However, the employees differed on several strategies; lack of employee engagement, lack of motivation, low morale, in which again the manufacturing sector had better agreement towards the sufficiency of these strategies and they were not the factors responsible for employees leaving the organization. Employees of manufacturing sector could be more satisfied and committed as compared to IT sector. Availability of opportunities could be more for IT employees as compared employees of manufacturing sectors. This could be the reason why employees in manufacturing sectors do not leave their jobs easily as they would have developed a positive opinion towards their organization. The strategies when ranked in the order of merit based on the responses of employers’ ‘Lack of Career Development Opportunities was the most important factor that contributed for employees leaving the organization. However, in the employees’ view it was Unfair Salary. Majority of organizations do provide Growth opportunities, however, fail to leverage due to lack of communication on this front. The hardship that the employee puts at work is not rewarded financially and does not satisfy their expectations.

The researcher observed that perception of employers and employees differed on most of the strategies; ‘performance appraisal system’, ‘motivation’, ‘training and development’, ‘morale’, ‘career development’, ‘employee engagement’, ‘team building’ and ‘job satisfaction’.

The employers had higher scores on all these strategies as compared to employees. The employer is solely responsible for retaining employees in the organization for a longer time. Moreover, the cost factor is involved if employees’ attrition increases. Naturally employers should be more worried about retaining employees as compared to the employees.
The researcher made an effort to find out the adoption of different retention strategies among Manufacturing and IT sector. The researcher found that there was no difference sector wise except for ‘Performance Appraisal system’ in which IT sector had better adoption of Performance Appraisal as a strategy for retention. Performance appraisal system is considered as the top most priority in retaining employees among IT firms. But for Manufacturing firms this strategy was considered as one the strategy for retaining employees. From this it is clear that, IT firms concentrate more on retaining performing employees as compared to Manufacturing firms.

The researcher made an effort to identify strategies that were important in retaining employees. It was observed that sector wise both had a similar view except ‘Compensation’ and ‘Performance Appraisal system’. Compensation Management is different in Manufacturing and IT firms due to the different nature of jobs. However, when it comes to ‘performance appraisal system’ manufacturing firms’ consider performance appraisal as least important because in most of the Manufacturing firms’ seniority is considered for promotion than merit. In IT firms’ ‘Performance Appraisal system’ is on the top priority as most of the IT companies follow promotion by merit. It is further helpful in retaining employees of IT companies who are known for job hopping.

Comparison of employees sector wise revealed that they were similar on all the strategies except; ‘compensation’, ‘performance appraisal system’, ‘career development’, ‘motivation’, ‘job satisfaction’ and ‘morale’. The IT employees had higher agreement for Compensation whereas employees of manufacturing sector had higher agreement for all the factors mentioned above. This clearly reveals that IT employees attach more importance to compensation and as a result of which one can find lot of job hopping among employees of IT sector. Moreover, the length of the career is shorter in IT as compared to manufacturing sector. The employees of IT get exhausted due to the nature of work at an age as early as 45-50. Their work is more demanding and based on deadline. They need to put in long hours of work and hence not much satisfied with their jobs leading to attrition. This is why they are more interested in compensation as compared to other strategies. However, employees of manufacturing sector are more concerned about their career progression; hence they attach importance to Performance Appraisal, motivation Job satisfaction and morale.
Job satisfaction is better among the employees of manufacturing firms that is the reason why employees don’t frequently change their jobs like the employees of IT sectors.

Sector wise comparison of Perception of respondents towards availability of the employee retention strategies revealed that employers had similar view and employees differed on strategies; ‘employee engagement’, ‘training and Development’, ‘employer employee relations’, ‘job satisfaction’ and ‘morale’. From the results, it can be noted that though the responses of employees of both sectors were on the positive side on the above retention strategies the higher side was found among manufacturing sector clearly revealing that the Manufacturing sector made lot efforts using various retention strategies to retain its employees. Further the author also observed that job satisfaction was ranked first in the order of its importance among Manufacturing sector and Training and development in IT sector. This result derived when the strategies were ranked in the order of merit further strengthens the reason for the difference of opinion among Manufacturing and IT sector.

The perception of employers of manufacturing and IT sectors towards various retention strategies was analyzed and ranked separately in order to measure the relative strength of each retention strategy. It was observed that, the employers manufacturing firms had attached highest strength for ‘performance appraisal system’ followed by ‘job satisfaction’ and the least importance was attached for ‘compensation management’ clearly indicating that compensation as a retention strategy did not have any significant effect on retaining employees. The perception among employers of IT firms on the relative strength of ERS also showed a similar view in which ‘performance appraisal system’ had the highest relative strength followed by ‘training and development’; however, the least important also was ‘Compensation Management’. This raises the question why other ERS are more important that compensation management among employers of Manufacturing sector as well as IT sector. Further the author assumes that employers of both and IT are having a clear-cut perception that the compensation management policies and practices followed by them are quite fair and this could be the reason why ‘compensation management’ was ranked last in its relative importance.
However when the perception of employees of manufacturing and IT sectors towards relative strength of various retention strategies was analyzed; in the perception of employees of Manufacturing sector; it was found that ‘job satisfaction’ had the highest relative strength followed by ‘employer employee relationship’, and among IT firms it was ‘performance appraisal system’ which had the highest relative strength followed by ‘team building’ indicating that employees of manufacturing firms were less satisfied and as a result they perceived that ‘Job satisfaction’ as most important strategy for retaining employees. However, since the employees of IT felt that ‘Performance Appraisal System’ as most important for retaining employees the IT sector needs to take note of this and have a fair method of measuring performance of employees.

The researcher tested the influence of gender and experience on the perception of employees towards employee retention strategies and found that neither gender nor experience made any significant influence on the perception of employees.

5.5 SUGGESTIONS

These are the few suggestions made by the researcher based on the opinions collected from the respondents, observations made by the researcher himself and from the literatures available.

- The perceptual difference among employers and employees can be ironed out, where the employers can step out of their comfort zone and link with employees to align their expectations.
- The difference between the respondents of Manufacturing and IT sectors on certain variable can be resolved by framing the retention strategies in such a way that it is more transparent and an awareness among the employees on the importance of retention strategies should be made.
- On most of the variables the respondents had a different view; this problem can be sorted out by giving clarity on these retention strategies. How each strategy will be benefitted to the organization in reducing attrition at the same time how each employee will be benefitted out of it should be looked at.
- Manufacturing and IT firms had adopted similar strategies in retaining employees except for ‘performance appraisal system’. All the strategies
examined in the present study were very essential for the organizations irrespective of sectors. Each strategy plays a crucial role in retaining employees.

- On all variables employers had similar view, irrespective of sectors. Employers are the spokesperson of the company and view organizations in a positive way. However, the responsibility to retain employees’ lies with employers, so more efforts should be made to make sure all strategies which are available should be successfully implemented also. Employees differed on certain variables. This is because of lack of understanding and lack of communication. Thus, the organizations should reach out to the employees by implementing retention strategies by conducting stay interview and exit interviews.

- On the availability of retention strategies employees had differed in their opinion this can be ironed out by implementing all strategies successfully. By making these strategies available attrition could be reduced.

- Manufacturing sectors had better opinion about the retention strategies as compared to IT in general. The IT sector could concentrate on making better use of available retention strategies.

- The term employee retention does not hold the same meaning across sectors. For the companies like Manufacturing perceive retention as, retaining all employees but the IT sectors are of the opinion that retaining only performing employees. Whereas retention strategies should be a global concept, irrespective of the sectors as it is all the companies and to all employees at all hierarchical levels.

- According to employers of manufacturing and IT sectors and also the employees of IT firms perceived that the strategy ‘performance appraisal system’ is the most important for retention. The simple formula for this is that letting people know how they are doing on a daily or weekly basis pays, which pays off in turn and lowers turnover. Few said its job satisfaction, thus all facets of job satisfaction should be improved.
5.6 GENERAL SUGGESTIONS

Conducting stay interviews and exit interviews: Companies usually concentrate on exit interviews but stay interview are equally important as exit interviews. They should conduct stay interview and avoid people getting poached by their competitors. The exit interview is the last chance for companies to learn why an employee is unhappy or unproductive.

Training and development: Workers at the entry level do not receive the training and feedback that they need when they try to work their way up in the company. By providing training programs and other necessary training course employees develop their skills and knowledge so that they can take up greater responsibility and grow within the company. Companies must emphasize and show that employees can grow along with the company and make them see that you want them to remain with your company. It is good to always train first level supervisors, because good supervisors are crucial to retention. According to an expert quote that “Employees don’t quite jobs. They quit managers.” The best way to retain is conducting regular meetings with employees about their expectations and performance.

Planning for Growth Opportunities and communicating to employees: Career Planning plays a key role in retention. Most of the companies does provide opportunities for growth but due to lack of communication they fail to leverage. The purpose would be served if all employees who have spent >18-24 months in the system can pro-actively speak and can be asked for their preferences in career to bring about a spark in work which would end monotony.

Employee engagement: Engaged employees are the ones who are focused, enjoys the work and are eager to learn something new each day. An employee who is engaged in his work is a satisfied employee and he would never think of quitting his job. Engaged employees are the one who willing accepts the responsibilities and looks forward for a long-term association with the organization. These employees do not get time to participate in unproductive tasks; instead they finish their assignments on time and benefit the organization.
Encourage friendly atmosphere: The employees, co-workers and bosses can function like a family, having friendly relationships, smooth conversation, and sometimes even emotional intimacy. The employees’ job should not become a source of boredom, instead a warm and conducive environment should be developed at workplace. Employees should be free for expressing their views, talking, joking and making the work plans successful as far as it is not disturbing the work.

Pay Packages: The major reason for employees leaving the job is higher pay elsewhere. The organization should survey the job market occasionally to ensure that the salaries they offer are competitive. And for the other packages which could benefit employees from time to time. Keep reminding the employees about the value of benefits offered so that they keep in mind whenever they are weighing the job offers of other companies.

Prioritizing employee happiness: The term happiness might sound a bit soft and squishy many a time. But the reason behind it may be anything. Employee happiness is an indicator of job satisfaction, and an alignment adding values for the starters. Investing in happiness of employees the company yields results in productivity, lowering absenteeism, less turnover and of course higher retention rates.

Appreciation: Appreciation is also the best strategy for retention. A simple email of praise at the completion of work/project, monthly appraisal letters outlining the achievements, and also peer recognition programs will inject some positivity among the workforce. A report considering the accomplishments along with a thank you note adds more value to the employees.

Performance Feedback: An employee needs a constant flow of information on how he performs in each area of work. People who are kept in the dark about their performance become disillusioned and cranky.

5.7 FUTURE RESEARCH DIRECTIONS

1. The present study aimed at comparing employee retention strategies adopted in Manufacturing and IT firms. There were several factors like flexible
working hours, employee suggestions, employee empowerment, working conditions and several others which have not been covered under the scope of this research. Future researchers may go beyond the ten sets of retention strategies which has been taken for the present study.

2. The study aimed at comparing the perceptions of the employers and employees towards the Employee Retention Strategies, but the impact of these strategies on reducing the rate of attrition in the respective organization is not undermined so future studies can be studied in this path.

3. Only firms located in Mysore district was covered under the present study, however the same study can also be studied in other districts.

4. The future studies can be done with adequate sample size when it comes to employer levels.

5. Very few comparative studies have been done in the area of Employee retention strategies, especially different sectors should be taken up by the future researchers.

5.8 LIMITATIONS OF THE STUDY

1. This study covered only Manufacturing and IT firms located in Mysore district

2. Sample size of employers was low as compared to the sample size of employees.

3. Only 10 types of employee retention strategies have been measured.

5.9 CONCLUSION

The employee retention identifies a range of factors that have been shown to be consistently linked to employee turnover. These include compensation management, performance appraisal system, career development, employee engagement, training and development, motivation, morale, team building, job satisfaction, and employer-employee relationship. These factors can help the organization to understand the general nature of retention rate and the employees’ willingness to stay in a company. The ever-increasing intensified competitions to attract talented workforce have posed new challenging dimensions for employee retention. The global village concept has added much complexity to the problem of employee retention. The knowledge intensive institutions have shifted the priority of
the business from market to manpower. Thus, the real strength of an organization is in having not only talented employees but also to secure their commitment and loyalty. The organization should carefully plan not just for recruitment and selection rather should think of retaining the available talented workforce. Since employee attrition is costlier and damages organization’s reputation, simply investing on recruitment and selection becomes a meaningless task. This is the reason why wise organizations are continuously struggling to device proper retention strategies. By considering the changes in external environment, organization should review and revise the retention strategies on regular basis. This study attempts to bridge the gap in retention strategies by comparing the retention strategies in Manufacturing and IT firms. The employee turnover in both the sectors can be drastically reduced by adopting the retention strategies in more proper and systematic way. The study offers new insights to the employee retention aspects of Manufacturing and IT firms by assigning relative importance of the available retention strategies. The study brings to the light the role and importance of performance appraisal system, job satisfaction, training and development and other facets of ERS. Salary, career growth and motivation are the important issues which are to be addressed keenly in manufacturing sector to retain the employees. Serious consideration should be given towards performance appraisal system, employer employee relationship and employee engagement in IT firms. The study shows the vitality of job satisfaction in both the sectors for employee retention. Thus, creating proper environment and evolving better Employee Retention strategies can result in invaluable benefit to the organization in both quantitative and qualitative terms. Since ‘a rupee saved is a rupee earned’ organization need to focus on increasing its savings by avoiding attrition and promoting suitable and flexible retention policies.