

Retention Strategies – A Key for HR Development

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ABSTRACT

The employer are now aware of the retention strategies in an organization. They are now focusing attention on the employees which are most suitable and beneficial for the organization. The decision to hold an employee is most crucial. The employer has to find out the need of retention and the employees, he should retain. Employers are supposed to take care of their assets i.e. employees. Employees are not only motivated by the monetary benefits. The non-monetary benefits are also equally important to encourage the employee to stay in the organization.

The various retention practices are followed and tried to minimize the rate of labour turnover. The term labour turnover and retention of employees are interconnected. Hence, a study of retention strategies are taken in Ahmednagar city and the findings are presented

Keywords-

INTRODUCTION:

Retention of skillful and talented employees is the need of each and every organization. Therefore, every employer concentrates on retaining such employees for longer period of time. in this competitive era, employees are switching on the next job as they are providing the various benefits to such skillful employees.

Employers are, now a days, busy in Hiring and Holding the good employees and encouraging then to attain the organizational goals effectively. As soon as, employees feels dissatisfaction or discomfort with its employer of job they switch over to the next job. To

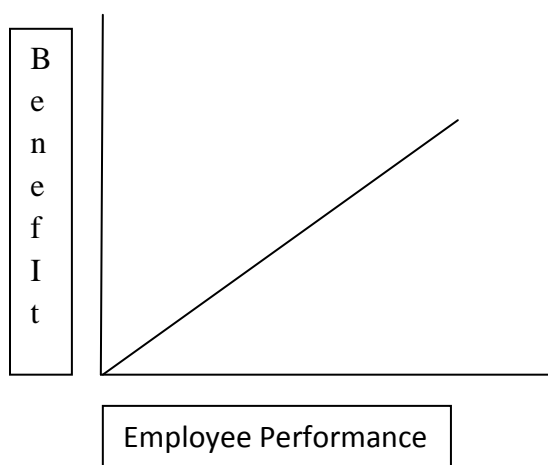
hold and retain such employees various retention strategies are utilized and implemented in the organization.

“MAN” is one of the most important element of the organisation. Every employer has to take care of the needs and wants of the employees. For the same, employers are engaged in providing various benefits and facilities to them. Whenever, they fails to satisfy their employees, they may loose such knowledgeable employees. Therefore, it becomes necessary to an employer to retain their employees.

“Employee Retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project.”

Employer should value their employees as they are the part and parcel of organizational profit. As employees are involved in creating the profit to an organization, they should be benefited with the healthy organizational environment.

Graph 1:-



As per our point of view, as soon as the employees are encouraged and provided various facilities then the resultant is increase in their performance.

There is a need of retention because of labour turnover. “Labour Turnover is the ratio of employees that leave a firm through attrition, dismissal or resignation during the period to the number of employees on payroll during the same period.”

No. of leavers in the year

$$\text{Labor Turnover} = \frac{\text{No. of leavers in the year}}{\text{Average no. of employees during the year}} \times 100$$

Average no. of employees during the year

Elements :-

- Organizational environment :-

The organization environment more beneficial and healthier to an employee so that the employee feels more integrated with the organization. A friendly environment helps the organization to retain the skilled employees.

- Training and Development :-

The training given to an employee should be appropriate & the post training observation should be done to know whether the program has been successful or not.

- Management :-

The management of the organization be more co-operative & co-ordinate & integrated so that they can bound the various factors & use them for the organizational growth. The top middle & lower level management should value the employees working over there.

- Decision Making :-

Freedom of decision making would be present in the organization. It is necessary to an organization to take a right decision, at right place & at right time.

- Team Building :-

An organization is suppose to be a team. Every organizational goals & objective are made with the help of team members that is employees. If there is an effective team, it is easy to achieve vision, mission, goals as well as objectives soon.

- Relationship :-

The employer-employee as well as employee-employee relationship affects the retention management. A good & friendly environment & mutual understanding makes the employees happier & satisfied.

- Organizational Objectives :-

Organizational objective contains the various motivational & development strategies. The consistent, achievable, reliable & practical objectives impacts the industrial & personal growth.

OBJECTIVES –

1. To identify the factors affecting employee retention management.
2. To study the factors responsible for labor turnover.
3. To study the various retention strategies

METHODOLOGY –

1. **Area of research** – Human Resource
2. **Type of research** – Descriptive Research
3. **Sources of Data** –
 - a. Primary data :
 - Discussion with HR manager regarding the facilities & provisions made for the retention employees.
 - Discussion with the staff of the companies regarding their satisfaction level.
 - b. Secondary data :
 - Books related to HR management
 - Websites

4. **Data Analysis** –

The data is analyzed in the terms of percentage & presented in Pie-chart.

DATA REPRESENTATION –

1. To study the reasons of labor turnover.

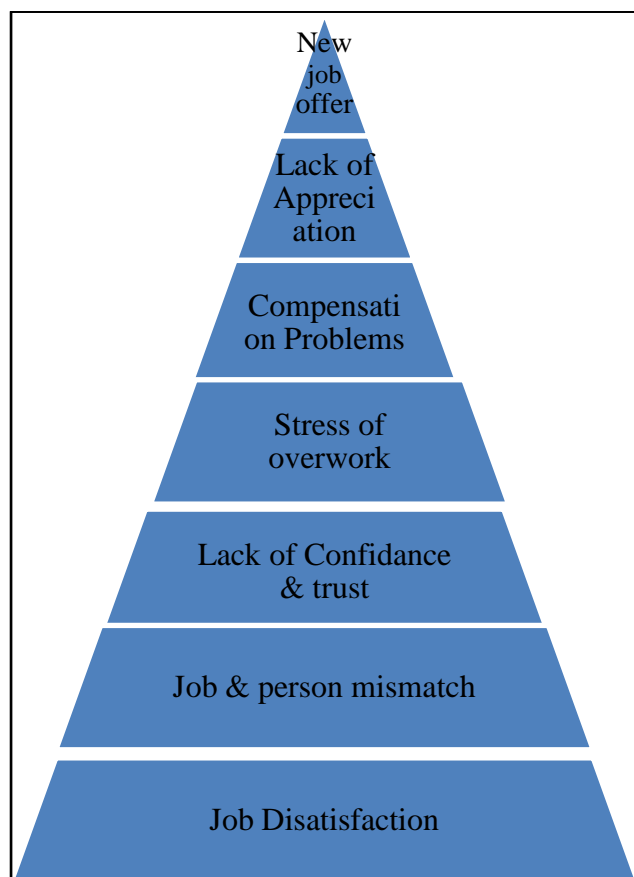


Chart : Reasons of labor turnover.

2. To study factors influencing the retention policy.

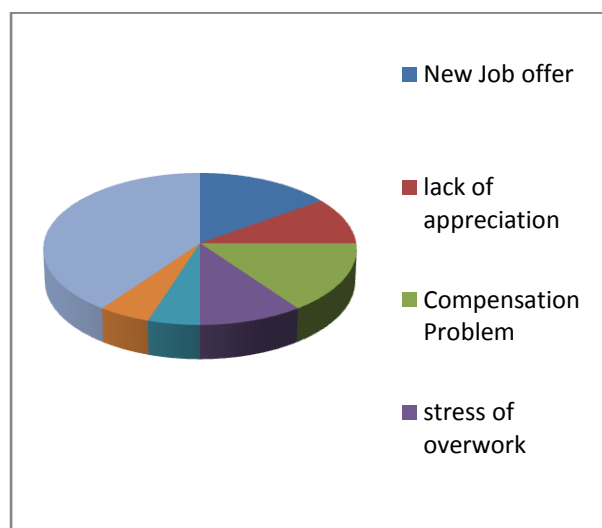
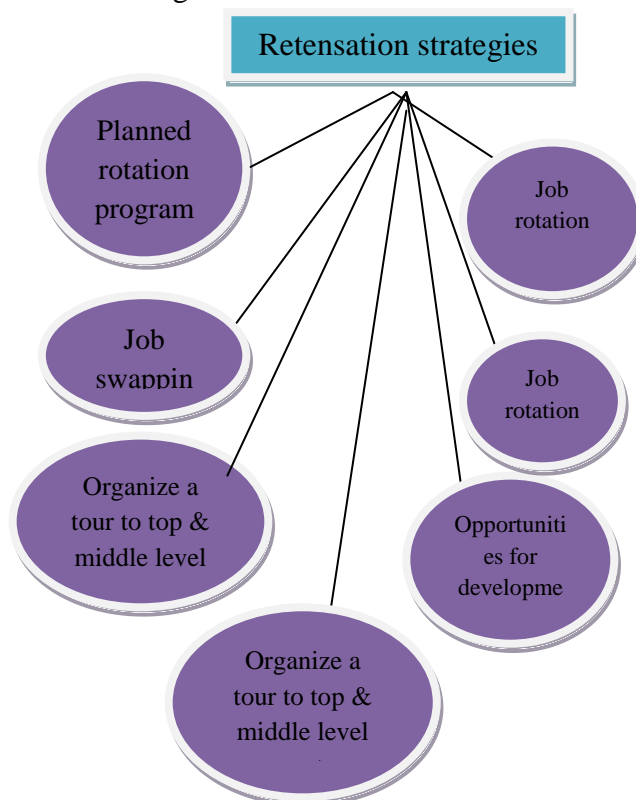


Chart : Factors influencing the retention policy

Observation of the Study –

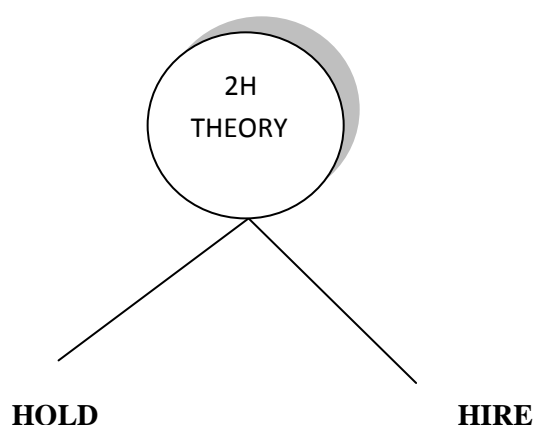
In an Ahmednagar District, we have found that because of labour turnover or switching to other jobs, company provides various benefits to the employees regularly. They are trying to satisfying & encourage the employees working over there.

Employers are interested in skill-building. By prioritizing the needs & wants of the employees by providing the best suited compensation packages to the employees. The following are carried out in the organization –



SUGGESTION –

On the basis of the study carried out in the Ahmednagar city, it is found that the employer fails to retain their employees. The percentage of dissatisfied employees is more over there. Therefore, to satisfy the employees employer must recognize the efforts of them. Here, the “2H THEORY” can be applied.



Where,

H : Healthier Environment

I : Incentives and Benefits

R : Recognition

E : Encouragement

H : Helping for personal and Industrial growth

O : Opportunities

I : Innovation and Research

D : Development

- **Healthier Environment :-**

If an organization provides the healthy and friendly environment to an organization, the cordial relationship can be maintained and the efforts will be taken to prove their skills and talent.

- **Incentives and Benefits :-**

It is one of the way to motivate the employees to do the work efficiently and effectively. It is the monetary motivational strategy which directly focus on the monetary needs of the person.

- **Recognition :-**

A person can be motivated by recognizing his efforts. The employer are supposed to value their employees.

- **Encouragement :-**

If an employer encourage the employee by appreciating his performance and providing the various facilities , he may get satisfied with his job. A freedom of decision making up to a certain limit as well as the freedom to implement an idea will encourage an employee to stay in organization for the longer period of time.

- **Helping in Personal and Industrial Growth :-**

By organizing the counseling programs employer can solve the personal as well as organizational problems of the employee.

- **Opportunities :-**

The various opportunities in the field of their work can encourage employee to stay with the current employer.

- **Innovation and Research :-**

Guiding the employees in research works and implementing the various innovative practices can change the mindset of an employee.

- **Development :-**

Development in all the areas at the work place can help the employee to remain with the current organization. It also includes the personal and the professional development.

CONCLUSION -

To keep the organization growing a team of knowledgeable and skillful employees are needed. To reduce the labor turnover, it is

necessary for an employer to hold such employees for the longer period of time or till the completion of the project. The retention strategies implemented in the organization are need to be focused.

The dissatisfaction level of employees needs to be minimized. By providing the growth opportunities to the employees corporate can retain their employees.

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