
Employee retention strategies in IT sector – a perceptual survey

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Abstract: This study has been conducted to examine Employee Retention Strategy used in the IT sector to retain their employees. Employee Retention refers to the different practices which let the employees retain in an organisation for a longer period of time. Each organisation invests time and cash to prepare a new employee, make him a corporate prepared material and carry him at standard with the current employees. The organisation is totally at loss when the employees give up positions once they are completely prepared. Employee retention considers the different estimates taken with the goal that an individual stays in an organisation for the greatest timeframe. Retention strategies are policies and plans that organisations follow to decrease worker turnover and attrition and guarantee employees are locked in and gainful long haul. The critical test for organizations is guaranteeing a retention methodology lines up with business objectives to guarantee the most extreme degree of profitability. The questionnaire was conducted to gather primary data, and it is directly led from the employees to recognize the elements that make them resolved to serve their current organisation. The findings of the study reveals that the increase in rewards and recognition, good working environment, supervisor support and contribution of increased supervisor support career opportunity has a positive significant impact on Employee Retention in the IT sector.

Keywords: Employee Retention, Working Environment, Rewards and Recognition, Employer Employee Relationship and Employee Turnover, Innovation, Entrepreneurship

INTRODUCTION

Employee retention refers to the capacity of an organisation to hold or hold its employee. It is huge for an organisation to draw in, utilize, and hold the correct assets. An enormous part of the organisations are uncommonly convincing, with respect to pulling in and utilizing new gifts, anyway they come up short in holding the same abilities. An extreme point of Employee Retention is to make both the accomplices, i.e., laborers and supervisor more blissful. It urges immovable laborers sticking to the organisation for a more expanded length, which hence will benefit both the accomplices. Holding a propelled and an optimistic employee is principal to any organisation's turn of events and accomplishment. There will be a negative effect on an organisation's certainty, if employee turnover assembles the expenses. Utilization of employee retention programs is a convincing way in making the key employees stay used while keeping up work productivity and execution. Since the two individuals and jobs are so varied, chiefs and HR specialists need to comprehend that individuals may remain or leave their work for both business related and singular reasons.

A wide reach on work approaches have been used in different organisations depending on the work, market and activity. These strategies can be extensively requested into two classes for instance monetary and non-cash related philosophies. Disregarding the way that, larger pieces of the organisations are using the monetary procedures, for instance, Performance Linked Incentives, Rewards, Increment in Salary; yet an extraordinary number of inventive non-cash related practices are furthermore being realized to hold the work. These practices join Job Rotation, Job Enrichment, Exit Interviews, Participation in Management, Public Recognition of Achievements, etc. An organisation ought to realize a particularly described Talent Management System according to their business condition to acquire, make and hold the vital level of capacity for their overall long stretch turn of events and accomplishment. Our research idea is based on the rich knowledge acquired by our peer teams across the university.(A.C.Gomathi, S.R.Xavier Rajarathinam, A.Mohammed Sadiq, Rajeshkumar, 2020; Danda et al., 2009; Danda and Ravi, 2011; Dua et al., 2019; Ezhilarasan et al., 2019; Krishnan and Chary, 2015; Manivannan, I., Ranganathan, S., Gopalakannan, S. et al., 2018; Narayanan et al., 2012, 2009; Neelakantan et al., 2013, 2011; Neelakantan and Sharma, 2015; Panchal et al., 2019; Prasanna et al., 2011; Priya S et al., 2009; Rajeshkumar et al., 2019; Ramadurai et al., 2019; Ramakrishnan et al., 2019; Ramesh et al., 2016; Venugopalan et al., 2014). Currently we are working on employee retention strategies in IT companies. There are a couple of strategies you can use to keep your IT office satisfied and your staff immaculate, for example, Positive Work Environment,

Salary and Benefits, Opportunity for Advancement and Community of Co-Employees.

REVIEW OF LITERATURE

Samuel and Chipunza made a recognize and set up the key normal and outward powerful factors being used by picked public and private area organisations in holding their employee and furthermore found that getting ready and headway, testing/intriguing work, open door for innovative thinking, and expert soundness are in a general sense impacts employee retention in both public and private area organisations (Samuel and Chipunza, 2009).

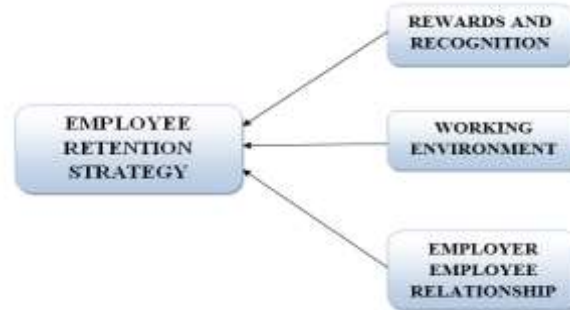


Fig.1: Conceptual Model of the Study

Shoaib et. al., made an examination on the effect on employee retention in the Telecom area in Pakistan and finds the positive relationship of calling improvement openings, director uphold, working condition, rewards and work-life approaches with employee maintenance. They additionally examined the procedures and suggestions which are utilized to help the Telecom area in Pakistan for holding their employees (Shoaib et al., 2009).

Coombs did an examination with the goals to perceive factors that can reduce turnover of IT specialists and their revelations indicated that viewpoints, seen direct control (PBC), and ID with the affiliation all had a quantifiably tremendous connection with assumption to remain; attitude was the most grounded (Coombs, 2009) .

Nyanjom made an investigation with a goal to set up the components influencing employee retention in the state organizations in Kenya and discover that the preparation and profession improvement were positioned as the main variables or components that impact the employee maintenance in the state organizations in Kenya (Nyanjom, 2013).

Osibanjo et. al., made an examination with a goal to investigate the effect of remuneration bundles on specialist's exhibition and maintenance in a private University in Ogun State, South-West Nigeria. The results showed solid organisation between remuneration bundles and laborer's exhibition and maintenance. They likewise find that there is solid organisation between the tried reliant and autonomous factors (Osibanjo et al., 2014)

Mandhanya explores the organisation among the work environment and delegate support in the Automobile portion. The revelations indicated that the work environment had a positive relationship with employee retention and as such impacts employee's choice to stay in the organisation. The ramifications of the examination are that the administration should give a powerful working environment to hold employees. At last the examination additionally proposes that flourishing and amicable conditions ought to be given at the workplace to make employees more satisfied to remain in the organisation(Mandhanya, 2015).

Reddy and Srinivasa made an examination to look at maintenance systems utilized in programming organizations in Bangalore city and their revelations of the examination show that understanding level is high for correspondence incredible strategies among all upkeep techniques for both male and female employees. It will in general be assumed that the understanding level for specialist systems of support philosophies is higher for female employees than male laborers , at any rate there is no gigantic difference among male and female employees' level of game plan for work maintenance strategies (Reddy and Srinivasa, 2016).

Rose and Raja look at the job of various factors in overseeing employee maintenance. The investigation found that HR practices and Job satisfaction inside and out effect Organizational Commitment and in this way Organization Commitment basically sway Employee upkeep. The examination prescribes that affiliations ought to endeavour to have extraordinary HR practices set up and keep all employees satisfied (Rose and Raja, 2016).

Kossivi et. al., surveys different investigations with a goal to distinguish the employee retention's determinants factors and presumed that further assessments ought to be guided as for employee maintenance to all the more probable handle this mind boggling field of human asset the board (Kossivi et al., 2016). Togher investigated the effect of remuneration on employee maintenance and found that compensation bundles and portrayed vocation ways were the most enticing parts of a prize technique to the extent employee retention (Togher, 2016).

Rai et. al., did an investigation with the goal to inspect execution of the retail deals partners and furthermore found that the Employee responsibility is completely intercede the impact of remunerations and acknowledgment on in-work and extra-work execution (Rai et al., 2018).

Tirta and Enrika made an examination to analyze the impact of remuneration and acknowledgment, work life

balance on employee maintenance by utilizing position satisfaction as an interceding variable and found that the prizes and acknowledgment, work life equilibrium and job satisfaction positively affects the employee retention (Tirta and Enrika, 2020).

Turnea and Prodan made an examination suggests a model of total prize for holding HR in organisations grounded on the World at Work model of the investigation (research) bunch at A&M Texas University and furthermore finds the favored hierarchical compensations(rewards) among respondents in work interviews, and after business (Turnea and Prodan, 2020).

Gs and Subhashchandran made an examination with a goal is to analyze the specialist maintenance methods in regards to organisation factors and furthermore found the confirmation of maintenance in IT division as perhaps the most mounting issue. Specialist Retention has become the most multifaceted and confused assignment for managers. The privatization of the IT division has led to various clarifications behind the crumbling of key laborers (Gs and Subhashchandra, n.d.).

RESEARCH METHODOLOGY

In this study descriptive research design is used to find the Employee Retention Strategy in the IT area. Primary data is collected through questionnaire 100 respondents in organization. The questionnaire is divided into various factors such as demographic variables, dependent variables such as Employee Retention Strategy and independent variables such as Rewards and Recognition, Working Environment and Employer Employee Relationship. Mean analysis and regression used to analyse the data.

DATA ANALYSIS AND INTERPRETATION

FREQUENCY ANALYSIS OF DEMOGRAPHIC VARIABLES

The following pie charts represents the sample profile of the study

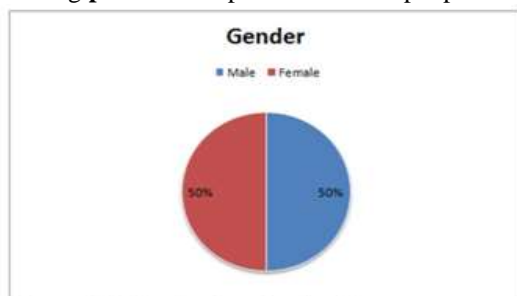


Figure 2: The pie chart depicts the percentage of gender in the sample. 50% of the sample were Male and 50% of the sample were Female.

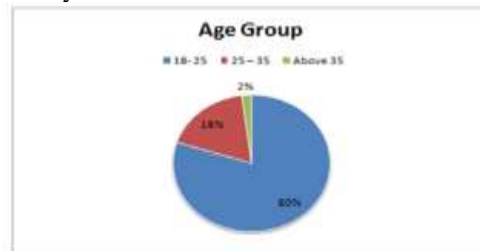


Figure 3: The pie chart depicts the percentage of Age Group in the sample. 80% of sample belonged to 18 - 25 followed by 18% of sample belonged to 25 - 35 and 2% of samples belonged to Above 35.

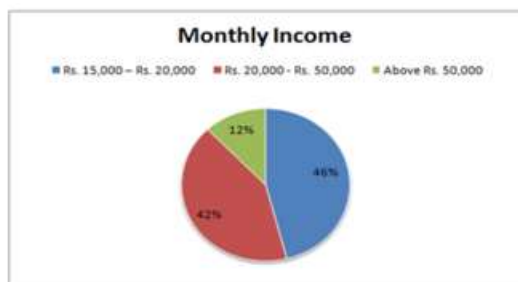


Figure 4: The pie chart depicts the percentage of Monthly Income in the sample. 46% of sample belonged to Rs. 15,000 - Rs. 20,000 followed by 42% of sample belonged to Rs. 20,000 - Rs. 50,000 and 12% of samples belonged to Above Rs. 50,000.

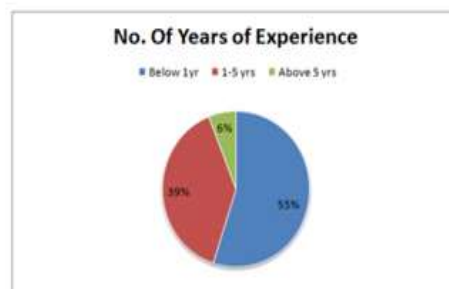


Figure 5: The pie chart depicts the percentage of No. of Years Experience in the sample. 55% of sample belonged to below 1yr followed by 39% of sample belonged to 1-5yrs and 6% of sample belonged to Above 5yrs.

REGRESSION TEST

Employee Retention Strategies considered as dependent variables and Rewards and Recognition, Working Environment and Employer Employee Relationship considered as independent variables.

Table 1: Model Summary

Model Summary		
Model	R	R Square
1	.632 ^a	.399

Table provides the R and R² values. The R value represents the simple correlation and is 0.632 (“R” column), which indicates the degree of correlation. The R² value (the “R square” column) indicates how much of the total variation in the dependent variable can be explained by the independent variable. In this case 39.9% can be explained, which is below average.

Table 2: Anova

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.959	3	10.320	21.890	.000 ^b
	Residual	45.729	97	.471		
	Total	76.688	100			

Above table indicates that the regression model predicts the dependent variable significantly well. Here the ‘p’ value (0.00) which is lesser than 0.05. Thus, it indicates the statistical significance of the regression model that was run. (i.e., it is a good fit for the data).

Table 3: Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
REWARDS AND RECOGNITION	.348	.090	.407	3.855	.000***
WORKING ENVIRONMENT	.136	.110	.135	1.235	.220
EMPLOYER EMPLOYEE RELATIONSHIP	.189	.102	.187	1.859	.066

Above table indicates regression analysis with B & Beta value for the independent and dependent variables which are assumed. From the analysis it is found that Rewards and Recognition (Beta = .407, t= 3.855), Working Environment (Beta =.135 t=1.235) and Employer Employee Relationship (Beta = .187 t=1.189) having positive linear relationship with respect to Employee Retention Strategies.

EMPLOYEE OPINION ON RETENTION STRATEGIES IN IT SECTOR

Table 4: Analysis of mean for employee opinion about retention strategies

Strategies	Mean	Rank
I have a clear understanding of my career path here(carrier path)	3.3300	2
I have been timely promoted in this job (promotion)	3.2300	3
I like coming to work every day (employee’s job satisfaction)	3.3900	1
I see myself working here in the next five years (employee retention)	3.2000	4
I would suggest my friends and relatives to join this organization (job suggestion)	3.1800	5

The mean score and rank are displayed in table 4.4. It shows variable “employee’s job satisfaction” includes highest mean score of 3.39 followed by career path (3.33), promotion (3.23), employee retention (3.20) and job suggestion (3.18). All the mean scores lie between 3 to 4.It concludes that employees are agreeing towards all the mentioned strategies.

EMPLOYEE OPINION ON RETENTION STRATEGIES EXIST IN THE ORGANISATION

Table 5: Analysis of mean for employee opinion about strategies exist in the organisation

Strategies	Mean	Rank
Work culture	3.4900	5
Workplace hygiene	3.5800	1
Compensation	3.3900	7
Training and development activities	3.4800	6
Resource management	3.5200	4
Leadership	3.5700	2
Policies and procedures	3.5600	3

The mean score and rank are displayed in the table above. It shows variable “Workplace hygiene” includes highest mean score of 3.58 followed by Leadership (3.57), Policies and procedures (3.56), Resource management (3.52), Work culture (3.49), Training and development activities (3.48) and Compensation (3.39). All the mean scores lie between 3 to 4. It concludes that employees are agreeing towards all the mentioned strategies that exist in the

organisation.

FACTORS THAT INFLUENCED EMPLOYEE TO REMAIN IN THE ORGANISATION

Table 6: Analysis of mean for factors that influenced employee to remain in the organisation

Factors	Mean	Rank
Salary	3.8700	3
Workplace hygiene	3.8200	4
Retirement benefits	3.9000	2
Working conditions	3.7600	6
Career growth	3.6800	7
Recognition and reward	3.9700	1
Employer – Employee relationship	3.8000	5

The mean score and rank are displayed in the table. It shows variable “Recognition and reward” includes highest mean score of 3.97 followed by Retirement benefits (3.90), Salary (3.87), Workplace hygiene (3.82), Employer – Employee relationship (3.80), Working conditions (3.76) and Career growth (3.68). All the mean scores lie between 3 to 4. It concluded that employees are agreeing towards all the mentioned factors.

RESULT AND DISCUSSION

Respondents' opinion on various retention strategies in the IT sector; employee job satisfaction is being highly expected. Career path, Promotion, job suggestions place vital roles as well. A study done by Leena and Lissy described that employees can be dissatisfied with the organization due to many reasons such as compensation, job security, job autonomy, relationship with the supervisor and other colleagues etc. Hence the responsibility of every company to keep them satisfied could be the best retention strategy (James and Mathew, 2012). Respondents' opinion on the various strategies that exist in the present organization where they are working denotes that workplace hygiene, leadership policies and procedures, resource management, work culture, training and development and compensation. Ratna and Sania found from their study that some factors like compensation, rewards and recognition increase retention while training and working conditions increase the satisfaction of employees (Ratna and Chawla, 2012). Leena and Lissy also described that there is a relationship between Retention strategies, Personal satisfaction and Welfare Benefits. Retention Strategies were reduced into four major factors (James and Mathew, 2012). It shows variable Recognition and reward considered as the most demanding factor for the employee retention, followed by Retirement benefits, Salary, Workplace hygiene, Employer – Employee relationship, Working conditions and Career growth.

CONCLUSION

Employee retention has emerged as one of the important roles in management studies during the past decade. The major contribution of this study is the examination of Employee Retention Strategy in the IT sector. It is clear that increased rewards and recognition, good working environment, supervisor support and contribution of increased supervisor support career opportunity has a positive significant impact on Employee Retention in the IT sector. Our exploration results show the relationship and furthermore the power level of the determinants through which they sway on the worker retention. The study concluded that these factors have substantial roles in determining the retention management strategies of the organizations and are considered to be the main components for retaining the employees in the organisation. Thus it's a mix of components that helps in worker retention. Organisations should endeavor to implement practice related with retention of workers.

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