

## A Study on Employees Retention with Reference to Cholamandalam Investment and Finance Company Limited, Chennai

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### Article Info

**Page Number:** 12628- 12633

**Publication Issue:**

**Vol 71 No. 4 (2022)**

### Abstract

Any organization desires to have highly skilled and potential people on rolls who can become the competitive advantage for the company. Engaging such people requires a lot of motivation in terms of work, workplace culture, supervisors and of course compensation. There are many HR practices that an organization implements to engage people because engagement leads to productivity. The only way HR department can sustain the competitive advantage is by continuously reinventing the fundamentals of people management. This study is a part of a larger study on HR Practices and its relationship with employee retention. It attempts to explore the employee's perspective of HR practices in the organization. The objective of this study is to understand what employees think about organizational practices. In order to carry out the study Focus group discussions were conducted with employees of Cholamandalam Investment and Finance Company Limited. Analysis of responses is tracked and recorded. Themes have been drawn and discussed in detail. It emphasizes the need for organizations to adapt employee friendly practices to attract and retain the top talent. Employee Retention is a challenging concern of the organization. This study stressed on Employee Retention strategies. Employees are the assets of the organization. To retain skillful and committed employees in the organization, management should take care of employee satisfaction. Find out the reasons of employee turnover and overcome this. The purpose of this study is to prove how employee retention is essential in this day and age, and if the organizations are not aware to the situation and immediate actions are not taken to that effect, what repercussions lay ahead and how they would affect the organization and the industry. The study starts with an introduction, Company's profile, Achievements and also the need for study, review of literature and objectives are set out for the study. Research methodology, Data analysis & Interpretation, Findings and Suggestions, and finally the Conclusion.

### Article History

**Article Received:** 15 September 2022

**Revised:** 25 October 2022

**Accepted:** 14 November 2022

**Publication:** 21 December 2022

**Keywords:** Employee Retention, Employee Satisfaction, Work-Life Balance, Career Development, Compensation, Benefits, Leadership and Management, Employee Recognition

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### INTRODUCTION TO THE STUDY:

Human Resource Development is concerned with people, dimensions of the organization. The organization objectives can be best achieved by acquiring human resources, develop them, cast them for our need & motivate them for still better performance and ensure that they continue to maintain their involvement, commitment, loyalty to the organization. The Human Resource Development basically consists of three "C" s i.e competencies, commitment and culture. Companies that engage

in Retention Management (Human Capital Management) are strategic and deliberate in how they source, attract, select, train, develop, retain, promote, and move employees through the organization. Research done on the value of such systems implemented within companies consistently uncovers benefits in these critical economic areas: revenue, customer satisfaction, quality, productivity, cost, cycle time, and market capitalization. The term Retention Management means different things to different organizations. To some it is about the management of high worth individuals or "the talented" whilst to others it is about how talent is managed generally. i.e. on the assumption that all people have talent which should be identified and liberated. From a Retention Management standpoint, employee evaluations concern two major areas of measurement: performance and potential. Current employee performance within a specific job has always been a standard evaluation measurement tool of the profitability of an employee. However, Retention Management also seeks to focus on an employee's potential, meaning an employee's future performance.

### **PROBLEM OF THE STATEMENT**

**Salary Dissatisfaction:** Every employee has high salary expectations and this is one of the major reason, why an employee quits the organization

**Job Opportunities are high:** There is a cut-throat competition to attract the best talent in the market.

**Hiring the Wrong Candidate:** Recruitment plays an important role, which is the future of any organization. **No Job Rotation:** Any employee gets bored, if he/she does the same job for years together.

**Unrealistic Expectations of Employees:** It is not possible for an organization to meet the expectations of all the employees.

### **NEED OF THE STUDY:**

The purpose of this study is to analyze the retaining of employees in Companies. The studies aim is to improve Operational Efficiency and Productivity of the Company and its aim is to enabling Business Agility. Its aim is to simplify and transform the company to adopt talent management practices to retain the best employees in the company. After putting the more efforts, time and Cost to hire the best employee for the Right person for Right job. Many books have been written and exit interviews conducted as employers look for the secret to keeping their good employees satisfied. Salary, retirement plans and vacation benefits are high on the list of why those great employees took the job, but they are not reasons enough to keep them in your employ for the long haul. Job satisfaction will increase your employee retention rate.

### **SCOPE OF THE STUDY:**

This study was done through primary research. The primary data was collected from the workers of the Cholamandalam Investment and Finance Company Limited of Murugappa Group of Companies. Primary data was collected through a sampling method from male and female employees in the company through circulation of questionnaires. Data collected was analyzed for achieving the objectives of the study.

## **OBJECTIVES OF THE STUDY:**

### **1. Primary Objective:**

- To suggest and come out with various ways & means of retaining the top talents in the organization.

### **2. Secondary Objective:**

- To map the entire process of Retention procedure and policies involved in the said organization.
- To study the accuracy and quality of work of employees by Retention Management procedure.
- To suggest possible improvement in Retention Management process.

## **RESEARCH METHODOLOGY:**

Research methodology is a systematic method to solve a problem, which explains how research is to be carried out. It involves describing the problem, explaining and predicting the phenomena, by which the answer to the problem is found out. Research methodology is also defined as the study of methods by which knowledge is gained. It aims to give the work plan of research. The questionnaire was sent to the employees at Cholamandalam Investment and Finance Company Limited, Chennai, out of which the respondents were 100 responded. In the Likert Scaling method, the respondent indicates degree of agreement or disagreement with a variety of statements. A Likert scale typically holds an odd number of options, usually 5 to 7.

## **LIMITATIONS OF THE STUDY**

- The study was conducted for a period of 2-3 months
- The personal bias of the respondents might have an impact on data collected due to the respondent's reluctance to answer the questions
- The study was limited to only Operations, Marketing, Human Resource and Finance departments of the Organization on both on-role and off-role.
- The data totally depends on the respondents' view which can be biased.
- The findings of the study cannot be applied to all or any other fields since it lacks external validity.

## **REVIEW OF LITERATURE:**

Kamalaveni. M.S, Ramesh. S, T.Vetrivel's, A Review of Literature on Employee Retention(2019) - Their paper attempts to contribute to a holistic view concerning the practices and strategies adopted by organizations to retain committed and talented workforce globally. Engaging and retaining employees of 21st century workforce in this competitive era is a toughest job for HR people.

**1. Employee Retention Strategies An Empirical Research By Dr. K. Balaji Mathimaran & Prof. Dr. A. Ananda Kumar(2017)** - Human resources are the livelihood of all types of an organization. Even though all types of the organizations are now a days, found to be technology driven, yet human resources are required to run the technology. With all round development in each and every area of the economy, there is stiff competition in the market.

**2. Mansi Arora's Attracting and Retaining Top Talent in the Organization(2020)** - We are in a middle of a work revolution, Globalization and the rise of automation paired with the next generation of computers who desire more personal, intuitive brand experiences are driving companies to rethink their approach to talent management and acquisition. For that, every company has some form of programs designed to foster their talent, as these high performing individuals have a huge impact on business profits.

**3. Employee Participation and Employee Retention in View of Compensation by Komal Khalid and Samina Nawib(2018)** – Their study determines the relationship between types of employee participation (delegative, consultative, worker director, and worker union) on employee retention and the moderation of employee compensation in this relationship.

**4. Organizational Culture and Employee Retention by John.E.Sheridan(2017)**-This study investigated the retention rates of 904 college graduates hired in six public accounting firms over a six-year period. Organizational culture values varied significantly among the firms. The variation in cultural values had a significant effect on the rates at which the newly hired employees voluntarily terminated employment.

**5. D.Swaroop and Prof.B.Sudhir's Employee Retention Management::(2019)**-Employee Retention has become a major concern for corporate in the global competitive current scenario. Recruiting the right candidate is a time consuming process. An organization invests time and money in grooming an individual and make him ready to work and understand the corporate culture.

#### **DATA ANALYSIS AND INTERPRETATION:**

The word Analysis means the process of breaking down a Complex set of facts into simple element while Interpretation stands for the explanations which analyzed the statements and also make out or bring out the meaning of creative work. Analysis and Interpretation are done according to department wise and according to questionnaire. This analysis and Interpretation will definitely help to the company for the future strategies. Following are the analysis and Interpretation of the results. These all analysis is imagining for general company. It is very necessary to understand the psychological tendency of employee. Because it is a quietly subjective so it will slightly deviate the opinion of the employee. The research has done its study in various departments of CIFCL from a total of 100 respondents of employees in the Organization.

Summarized data analysis table for eight components are given below. For the each attributes different questions were framed and collected the opinion of respondents.

**Null Hypothesis(H<sub>0</sub>):** There is no significant association between Employee Turnover Rate and Work-life Balance **Alternative Hypothesis(H<sub>1</sub>):** There is significant association between Employee Turnover Rate and Work-life Balance

**INFERENCE**

Sl .n o	Components	No of Respo ndents	Percentage %
1.	Very Unsatisfied	02	02
2.	Unsatisfied	12	12
3.	Neutral	27	27
4.	Satisfied	47	47
5.	Very Satisfied	12	12
	Total	100	100

		Correlations	
		Employee Turnover Rate	Work-life Balance
Employee Turnover Rate	Pearson Correlation	1	-.190
	Sig. (2-tailed)		.058
	N	100	100
Work-life Balance	Pearson Correlation	-.190	1
	Sig. (2-tailed)	.058	
	N	100	100

**INFERENCE**

The above diagram shows how the respondents are satisfied with the support and recognition received from their Organization. From the diagram shows 2% are Very Unsatisfied, 12% are Unsatisfied, 27% are Neutral, 47% are Satisfied and 12% are Very Satisfied. A Majority of 47% respondents are Satisfied over support & recognition received from their supervisor.

**CORRELATION TEST:**

Correlation test for dependent variable(Employee Turnover Rate) with in-dependent variable(Work-life Balance)

In this case, all three correlation coefficients have a p-value of less than 0.01 (i.e.,  $p < 0.01$ ), which means that the correlations are statistically significant at the 0.01 level (2-tailed). Since the p-value for each correlation coefficient is less than 0.01, we can reject the null hypothesis for all three correlations. This means that we can conclude that there is a statistically significant positive correlation between each pair of variables. Therefore, the null hypothesis is not accepted.

**FINDINGS:**

- A Majority of 40% Respondents are Satisfied with their Salary and Benefit packages.
- The majority 48% of respondents feel their compensation is very competitive with other organizations in the industry.
- The majority of 34% of respondents are Satisfied with their non-financial benefits offered by the organization.
- A majority of 42% of respondents feel that they have a good work- life balance.
- The majority of respondents feel sometimes and often with both 26% feels stressed due to work- related issues interfering with personal life.
- The majority of 41% of respondents feel A Lot of organization support given for the efforts to maintain healthy work- life balance.

## CONCLUSION:

From the study it can be concluded that Employees Retention Management have been satisfied for the employees in the firm. Though the respondents revealed it openly, it is understood that Employees Retention Management has been well and good for the employees. Employee are Strongly Satisfied in how they source, attract, select, train, develop, retain, promote, and move employees through the organization. So the company should upgrade more Retention Policies and strategies which would benefit the employees who in turn will satisfy the firm. The company has to be updated and use latest retention techniques to have its employees to stay connected with the company. The examination has drawn out the association & reliance between (a) Employee Satisfaction & Engagement (b) Compensation & Benefits (c) work-life balance & Career Development opportunities (d) Leadership & Management.

In the event that one component runs with the other component easily, the result will be helpful. Furthermore the significance of retention management has been underscored which will clear path for progress. It is truly trusted that the Cholamandalam Investment and Finance Company Limited will find a way to execute the proposals of the research to ease retention processes & take reasonable measures to satisfy the desire for the employees.

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