

**A STUDY ON ATTRITION AND RETENTION OF EMPLOYEES IN
TIRUPPUR GARMENT INDUSTRY**

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ABSTRACT

Retention is an art of managing people. An environment of trust and cooperation, and collaborative approach by the management, employees get the feel to connect. Retention is all about taking measures so as to encourage work force to remain in the organization for a maximum period of time. It is more economic than going for fresh recruitment. Organizations should have an effective retention plan to keep the current employees. This article presents a holistic view of attrition and retention of employees in this competitive scenario.

Key words: Attrition, Retaining employees, Retention, Recruitment, and organization.

INTRODUCTION

In the global competitive scenario as there is no dearth of opportunities for talented persons in this world, given a chance, employees are prone to move from one organization to another. Corporate are facing the problem of attrition at this time of economic revival. Organizations spend a lot of effort, time and money on employee's retention because losing a valued employee proves to be costly in the form of lost knowledge, worried co-workers and lost money.

Attrition stands for a gradual reduction in work force without firing of personnel, as and when workers resign or retire and is not replaced. Business dictionary states, Attrition is "Unpredictable and uncontrollable, but normal reduction of work force due to resignations, retirement, sickness or death." As per the Longman Dictionary of Contemporary English, Attrition happens "when people leave a company or course of study and are not replaced." As per the American Heritage Dictionary of the English Language, "Attrition is a gradual, natural reduction in membership or personnel, as through retirement, resignation or death." Dr. Paul Carr and Dr. Michael Hartsfield in their article "Attrition as an HR

Challenge” (The ICFAI Journal: HRM Review, March 2008) states that Attrition can be conceptualized in many forms but the two prominent forms of attrition are: attrition due to employees leaving an organization and employees retiring from an organization.

LITERATURE REVIEW

In developed and emerging countries, Attraction and retention of employees is of the most desired practice and competence of the high performance organizations. Search for best talent will be very difficult in coming years. Retention can be possible by many ways but one of the most used in organizations is paying more than they are earning.

Hansen (2002) argued that pay more to the employees in order to achieve better financial position and retain those employees who lead from the front to attain business goals. Short and long term incentives should be given according to the goals of business that will help to have more organized and strong management team for long term results.

Lawler III (2005) stated that in these days’ organizations are competing for talent rather than counting employee’s loyalty. They are focusing on attracting, hiring and retaining the required talented persons. For this purpose, organizations must utilize those practices which are in favor of both employees and employers leading them towards higher performance levels. It is important to recruit strategy driven and shrewd employees because it creates sense of alignment between employee and organizational values and goals.

Gentry et al., (2007) argued that employees feel connected with the organization if they get support from their supervisors which lead them to return the favor to the supervisors and organization through retention.

Cottontail., (1988) Employee’s participation in decision has found some positive effects on the performance of employees. Participation in work related matters effects performance more positively rather than in determining the pay practices. ownership has some direct and independent effects over groups and individual behaviors and attitudes that lead towards effective performance. To participate in the organization matters is the formal “right” of the employees just like stockholders. They can influence the decisions of organization like the election of board of directors. This ownership has positive relationship with organizational performance.

Romzek (1989) explained that employees having higher involvement in their work and organization have better relations with their families and social environment.

NEED FOR THE STUDY

The success of any manufacturing organization depends largely on the workers, the employees are considered as the backbone of any company. The study was mainly undertaken to identify the level of employee's attitude, the dissatisfaction factors they face in the organization and for what reason they prefer to change their job. Once the levels of employee's attitude are identified, it would be possible for the management to take necessary action to reduce attrition level. Since they are considered as backbone of the company, their progression will lead to the success of the company for the long run. This study can be helpful in knowing, why the employees prefer to change their job and which factors make employee dissatisfied. Since the study is critical issue, it is needed by the organizations in order to assess the overall interest and the feelings of the employees towards their nature of job and organization. This study can be helpful to the management to improve its core weaknesses by the suggestions and recommendations prescribed in the project. This study can serve as a basis for measuring the organization's overall performance in terms of employee satisfaction. The need of this study can be recognized when the result of the related study need suggestions and recommendations to the similar situation.

OBJECTIVES OF THE STUDY

The study aims to find out the factors that causes attrition in the garment industry and how do these dimensions vary across the personal characteristics & the interrelationship of job satisfaction and propensity to leave, which has an impact on the degree of attrition in the garment industry and the study also focused on the following objectives.

- To know the attrition & retention of employees in Tiruppur garment industry.
- To find out the causes & effects of labour turnover.
- To analyse, how the management can prevent the employee's attrition
- To create a better working environment for employees through effective HR practices.
- Cost reduction is one of the basic functions of the HR department which can be attained by selecting "Right person for the right job."
- To understand & gain monetary benefit for the employees with the use of HR practices.

CAUSES OF ATTRITION

As there is no dearth of opportunities for talented persons in this world, given a chance, employees are prone to move from one organization to another. Reasons for attrition are due to meager salaries, less or no career growth opportunities, inferior employee supervision, lack of recognition, lack of freedom of expression in the organization and underutilization of talents and skills of the individuals. Workers may become redundant or surplus and have to be discharged due to seasonal nature of business, lack of demand, shortage of raw materials and power, defective management planning etc., Dissatisfaction with the job, poor working conditions, low wages, long working hours, bad relations with workers and supervisors.

SIGNIFICANCE OF EMPLOYEE RETENTION

Retaining talented employees from getting poached along with reducing the attrition costs are the key areas that need to be given some serious thought. Huge amounts are being spent on hiring and training the recruits and hence the cost of employee attrition adds a lot of money to a company's expenses. Employees who leave the organization take along with them valuable information regarding the company, its customers, current projects and other confidential data.

EMPLOYEE RETENTION STRATEGIES

Today many organizations are on the top because they value their employees and know how to retain them. Several strategies are executed to motivate employees and retain them for a maximum period of time. Some of the best practices that the employers must keep in mind when they are planning strategies for retaining the employees are as follows:

- Hire the right staff in the first place.
- Empower the employees by giving them the authority to get things done.
- Make them realize that they are the most important asset of the organization.
- Trust them, have faith in them and respect them.
- Provide them knowledge and information.
- Keep providing them with feedback on their performance on a continuous basis.
- Appreciate and recognize their achievements.
- Create an atmosphere where the human resources want to work and have fun.

STATEMENT OF THE PROBLEM

The aim of the present report is to study factors like salary, superior – subordinate relationship, growth opportunities, facilities, policies and procedures, recognition, appreciation, suggestions, co- workers by which it helps to know the Attrition level in the organizations and factors relating to retain them. This study also helps to find out where the organizations are lagging in retaining.

RESEARCH METHODOLOGY

The study indicates the descriptive research. Therefore, a systematic and organized methodology was obtained for the research study. A survey design which yields maximum information and provides efficient solution to the problem. The population for this study comprised of employees working in various garment industry. And use some survey instrument- interview schedules or questionnaire is useful for collecting various types of information from the respondents.

This study elaborates the retention of employees; its benefits and factors that may help to retain the best talent of the organization. This study will help textile industry to find out various factors effecting higher turnover and to revise their current policies for further improvements. Retention is one of the main factors that could help in achieving the required results.

DATA ANALYSIS

The process of evaluating data using analytical and logical reasoning to examine each component of the data provided. This form of analysis is just one of the many steps that must be completed when conducting a research experiment. Data from various sources is gathered, reviewed, and then analyzed to form some sort of finding or conclusion. There are a variety of specific data analysis method, some of which include data mining, text analytics, business intelligence, and data visualizations.

Chi – Square test

TABLE : 1 Relationship between Age of the respondent and the level of job satisfaction

H0 : There is no relationship between the age of the respondent & the level of job satisfaction.

Ha : There is a relationship between the age of the respondent & the level of job satisfaction.

Factors Age	Highly satisfied	Satisfied	Moderate	Dissatisfied	Highly dissatisfied	Total
20 – 25 years	3	4	2	3	2	14
26 – 30 years	1	2	3	1	1	8
31 – 35 years	5	16	5	3	1	30
36 – 40 years	2	1	3	1	1	8
Above40 years	3	3	2	1	1	10
Total	14	26	15	9	6	70

Result :

The above table indicate, the level of significant is 0.05 %. The chi – Square statistic is 10.613. The p – value is .832719. The result is no significant at $p < .05$. So Hence the Ho accepted & reject the Ha. So there is no relationship between the age of the respondent & the level of job satisfaction.

TABLE : 2 Relationship between Experience of the respondent and the productivity of the respondent

H0 : There is no relationship between the Experience of the respondent and the productivity of the respondent.

Ha : There is a relationship between the Experience of the respondent and the productivity of the respondent

Factors Experience	Very high	High	Average	Low	Very Low	Total
Below 2 years	2	1	2	1	1	7
2 – 4 years	4	3	2	1	1	11
4 – 8 years	4	4	2	1	1	12
8 – 10 years	3	4	3	4	1	15
Above10 years	7	10	4	2	2	25
Total	20	22	13	9	6	70

Result :

The above table indicate, the level of significant is 0.05 %. The chi – Square statistic is 5.9968. The p – value is .98813. The result is no significant at $p < .05$. So Hence the Ho accepted & reject

the Ha. So there is no relationship between the Experience of the respondent and the productivity of the respondent.

CONCLUSION

As said earlier the biggest asset of all organizations is the young employees with adequate skills. The main aim of talented executives is to develop their own individual career. So it is natural that they like to shift anywhere for achieving this aim. Hence he prefers the company which provides better and brighter chances for career development. In this stiff competition oriented scenario, the rivals may go to any extent to lure talented people.

Hence serious and sincere efforts are to be taken to retain right executives. Organizations cannot buy loyalty of employees but they can certainly earn it. As employee retention is a vital component for the success of any organization it is a must that this area should be given due importance. The Administrators are well advised to adopt a right kind of strategy to reduce the industrial job hopping. They should explore why people leave, why people stay somewhere. By doing this they will be able to use the results to build employment brands and establish, and maintain, an organizational climate for retention management.

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