

**A STUDY ON DETERMINING FACTORS OF EMPLOYEE RETENTION IN HYUNDAI
MOTORS INDIA IN COIMBATORE CITY**

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ABSTRACT

Employees are one of the valuable resources of the organizations. In the modern world, due to the advancement of technology and challenging market situation, organizations need to adopt the changes. This changing environment affects both the organizations and the employees. As a result, organizations efficiency, resource utilizations and employees need to be managed properly.

KEY WORDS: Technology, employee satisfaction, Hyundai car showroom , simple percentage , Retention, techniques .

I. INTRODUCTION

Employees are one of the valuable resources of the organizations. In the modern world, due to the advancement of technology and challenging market situation, organizations need to adopt the changes. This changing environment affects both the organizations and the employees. As a result, organizations efficiency, resource utilizations and employees need to be managed properly. Employee's role in the organizations is very much important and that reflects the success of the organizations. Retaining is a big issue and great challenge to all types of organizations.

OBJECTIVES

- To identify the factors that makes the employees to retain in the organization.
- To identify the areas where the retention strategies can be improved.
- To find out the purpose of retaining employee in the organization.
- To find out whether the employees are satisfied with the current retention techniques.

II. RESEARCH METHODOLOGY

Research Design:

The research design adopted for this study is Descriptive research design. It describes the character, attitude, demographic features of the Research plan.

Statistical Tools:

CHI-SQUARE TEST:

Chi-square test is used to find out whether there is relationship among various groups.

Formula:

$$\chi^2 = \frac{\sum (O_i - E_i)^2}{\sum E_i}$$

CORRELATION:

Correlation is defined as the association or relationship that exists between two or more variables.

Formula:

$$r = \frac{\sum XY - \frac{\sum X \sum Y}{N}}{\sqrt{(\sum X^2 - \frac{(\sum X)^2}{N})(\sum Y^2 - \frac{(\sum Y)^2}{N})}}$$

PERCENTAGE ANALYSIS:

Percentage refers to special kind of ratio. Percentage is used in making comparison between two or more series of data.

Formula:

$$\text{Percentage of Respondents} = \frac{\text{Number of respondents}}{\text{Total respondents}} \times 100$$

III. REVIEW OF LITERATURE

Khalid and Nawab (2020)

Determined the relationship between types of employee participation (delegative, consultative, worker director, and worker union) on employee retention with the moderation effect of employee compensation among two significant Pakistan sectors. It is found that all types of employee participation influenced positively on employee retention with the moderation effect of employee compensation. The study highlighted delegative.

Potgieter and Snyman (2020)

Explored the influence of personal factors on job retention in a banking services sector setting. The employees are self-reported on their personal factors such as emotional intelligence and self-esteem on job retention factors. The regression analysis revealed personal factors to predict the talent retention factors of job characteristics, career opportunities, supervisor support, and work-life balance of employees. Moreover, the results showed that there are no significant differences in personal factors and retention factors by geographical location.

Narayanan et al., (2020)

Studied the role of talent perception congruence and organizational justice in the relationship between talent management and employee retention by integrating the Perceived Organizational Justice Theory and Congruence Theory in the talent management context. The results would assist in setting the direction for future research in the area of talent management and help managers comprehend the significant roles of talent perception congruence and organizational justice in defining the talent management outcomes.

IV. INDUSTRY OVERVIEW

HMIL Vision

- Revolution & Challenge
- Innovation For Humanity
- Customer Happiness
- World Recognized Company

HMIL Mission:

- Creation Affluence
- Harmony & Co-prosperity
- Creative challenge

THE THREE R'S OF EMPLOYEE RETENTION:

- ✓ **Respect** is esteem, special regard, or particular consideration given to people. As the pyramid shows, respect is the foundation of keeping your employees. Recognition and rewards will have little effect if you don't respect employees.
- ✓ **Recognition** is defined as "special notice or attention" and "the act of perceiving clearly." Many problems with retention and morale occur because management is not paying attention to people's needs and reactions.



- ✓ **Rewards** are the extra perks you offer beyond the basics of respect and recognition that make it worth people's while to work hard, to care, to go beyond the call of duty. While rewards represent the smallest portion of the retention equation, they are still an important one.

V. DATA ANALYSIS & INTERPRETATION

TABLE 4.1 SHOWING DEPARTMENT OF RESPONDENTS

Department	No. of Respondents	Percentage
Quality assurance	20	17
Engine quality control	15	12
Production planning	13	11
Training and development	6	5
Human resource	20	17
Employee relation	10	8
Finance	10	8
Procurement division	14	12
Traffic and customs	12	10
Total	120	100

Source Type: Primary Data

INTERPRETATION

From the above table it is clear that 17% of the respondents are taken from Quality assurance department, 12% of the respondents are taken from Engine quality control department, 11% of the respondents are taken from Production planning department, 5% of the respondents are taken from Training and development, 17% of the respondents are taken from Human resource department, 8% of the respondents are taken from Employee relation department, 8% of the respondents are taken from Finance department, 12% of the respondents are taken from Procurement division, 10% of the respondents are taken from Traffic and customs department.

CHISQUARE ANALYSIS

An analysis between the experience of the employee and planning further career in the organization.

H₀: There is no significant relationship between the year of experience and to plan further career in this organization by the employee.

H₁: There is a significant relationship between the year of experience and to plan further career in this organization by the employee.

Experience / plan further career in Hyundai	Strongly agree	Agree	Neutral	disagree	Strongly disagree	Total
<1yrs	0	6	7	2	1	16
1-5yrs	0	40	35	1	0	76
5-10yrs	0	10	6	5	7	28

>10yrs	0	0	0	0	0	0
Total	0	56	48	8	8	120

Observed Frequency O _i	Expected Frequency E _i	(O _i -E _i)	(O _i -E _i) ²	((O _i -E _i) ²)/E _i
0	0	0	0	0
6	7.40	-1.40	1.96	0.264
7	6.40	0.60	0.36	0.056
2	1.00	1.00	1.00	1.000

1	1.00	0	0	0
0	0	0	0	0
40	35.46	4.54	20.60	0.580
35	30.40	4.60	21.10	0.694
1	5.06	-4.06	16.40	3.241
0	5.06	-5.06	25.60	5.059
0	0	0	0	0
10	13.06	-3.06	9.36	0.716
6	11.20	-5.20	27.04	2.414
5	1.80	3.20	10.24	5.688
7	1.80	5.20	27.04	15.022
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
TOTAL				34.734

Chi-square statistics:

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

$$\chi^2 = 34.734$$

Degree Of Freedom:

$$Df = (m - 1) (n - 1)$$

$$Df = (4 - 1) (5 - 1)$$

$$Df = 12$$

$$\chi^2 \text{ Table Value at 5\% Level OF Significance} = 21.03$$

$$\chi^2 \text{ Calculated Value} = 34.734$$

$$\chi^2 \text{ CV} > \chi^2 \text{ TV}$$

So, H₀ is rejected, H₁ is accepted.

INTERPRETATION:

There is a significant relationship between the year of experience and to plan further career in this organization by the employee.

CORRELATION ANALYSIS

Analysis between age of the respondents and salary satisfaction at current position in the organization

X – Age of the respondents.

Y – Salary Satisfaction at current position.

ANALYSIS BETWEEN AGE OF THE RESPONDENTS AND SALARY SATISFACTION AT CURRENT POSITION

X	Y	X ²	Y ²	XY
24	12	576	144	288
60	40	3600	1600	2400
20	52	400	2704	1040
16	16	256	256	256
0	0	0	0	0
120	120	4832	4704	3984

$$r = \frac{\sum XY - \frac{\sum X \sum Y}{N}}{\sqrt{(\sum X^2 - \frac{(\sum X)^2}{N})(\sum Y^2 - \frac{(\sum Y)^2}{N})}}$$

$$3984 - (120 * 120 / 5)$$

$$r = \frac{3984 - 2880}{\sqrt{4832 - (14400/5) * 4704 - (14400/5)}}$$

$$r = \frac{3984 - 2880}{\sqrt{(4832 - 2880) * (4704 - 2880)}}$$

$$r = 0.585$$

INTERPRETATION:

Since the value is 0.58508, there is positive relationship between the age of respondents and Salary Satisfaction at current position.

Analysis between the authority to make decisions and employees feel free to share the problems with superiors and colleagues

X – Authority to make decisions.

Y – Healthy rapport with employer through recreation activities

VI. FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

- The study reveals that 60% of the respondents wants increase in their pay, 23% wants change of work nature and 17% wants additional non-monetary benefits.
- A study reveals that 50% of respondents agree that better infrastructure amenities are available in the organization to do their job well and 10% respondents are disagreed.
- It is found that 47% respondents feels that the internal promotion are encouraged by performance basis and 30% of respondents feels it is by the year of experience.
- On the whole, the study reveals that 50% of respondents retain in Hyundai motor India for brand image.

SUGGESTIONS

- The survey results indicate that a focus on compensation packages is the first step to retain employees.
- Compensation strategies that should be enhanced would be: fair salary and benefits, salary equal to the performance of employees, salary comparatively equal to that of similar companies.
- The company can offer extensive opportunities for internal promotion, they can motivate their employees to develop career goals and action plans to develop their career opportunities.
- A process of accurate performance appraisal should be periodically conducted to reward and recognize the talent.

CONCLUSION

The basic purpose of these strategies is to increase employee satisfaction, boost employee morale hence achieve retention. Motivated employees come out with new ways of doing jobs. They are quality oriented. Any technology needs motivate employees to adopt it successfully. Employer need to have certain techniques that help them change the behavior of employees .one such technique is reward. Reward, particularly money, is a motivator to retain the employees. Effective performance appraisal should be conducted to know the talented employee. The challenge here is to provide the level of satisfaction and to adopt good retention strategies that are required by their employees. It is the right time for the employee to take corrective measures to reduce attrition by providing satisfaction and meeting expectation of their employees to sustain / retain in the company.

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