



EMPLOYEE TURNOVER IN LAKS TEX PRIVATE LIMITED, KARUR. TAMILNADU, INDIA: ANALYTICAL STUDY

Mr.G.Hari Hara Sudhan¹ Mrs.V.Tamilselvi² Dr.B.Velmurugan³

¹II MBA Student, Department of Management Studies, NPR College of Engineering & Technology, Dindigul, Phone No:+91-8637422599 Email ID: hariharasudhanchandra@gmail.com

²Assistant Professor, Department of Management Studies, NPR College of Engineering & Technology, Dindigul, Phone No:+91-9943819028 Email ID: sandeepsakravarthy.selvi@gmail.com

³Associate professor & HOD, Department of Management Studies, NPR College of Engineering & Technology, Dindigul, Phone no:+91-9952273941 Email ID: velubvm@gmail.com

ABSTRACT

When the job market improves, many employees who have had few options will be looking for new alternatives. Employee turnover can be expensive, disruptive, and damaging to organizational success. Despite the importance of successfully managing turnover, many retention management efforts are based on misleading or incomplete data, generic best practices that don't translate, or managerial gut instinct at odds with research evidence. This book culminates volumes of academic research on employee turnover into a practical guide to managing retention. Turnover fictions are dispelled and replaced by research-based facts. Keys to diagnosing and managing employee turnover are presented such that readers can effectively manage employee retention ...Employee turnover is one of the topical issues worldwide. The impact of factors affecting employee turnover varies occasionally and new factors are considered. Many countries have examined various factors that affect employee turnover. The main objective of this research is to consider psychographics and socio-demographic factors in one study and analyse the impact on employee turnover. A Probit regression model through the stepwise technique was used to analyse the collected data. Using ventures in Sri Lanka as a case study, this study demonstrates that employee turnover occurs in different stages and independent factors impact differently in each stage. The study population was professionals who have been a key part of Sri Lankan startups, which involved 230 respondents. Data analysis was performed through a forward stepwise technique through STATA. The results verified that job satisfaction and co-worker support negatively impact employee turnover, whereas leader member exchange positively impacts employee turnover. This study also proved a significant positive relationship between male employees in their thirties and high employee turnover. This study's findings help to identify the areas management should focus on to minimise employee turnover to retain experienced and skilled employee.

ABOUT LAKS TEX PRIVATE LIMITED

Steered by the vision, energy and acumen of its founder, Mr. K. MURUGESAN (Managing Director), Laks Tex is a name synonymous with success and accomplishment. Laks Tex was established in as a manufacturer & exporters of Home Textile products. Has embarked success towards customer focus and its continued commitment to product development. Laks Tex aims to create the best combination of product, quality, service and value for its clients.

We grew to become recognized as one of India's leading symbols of textile innovations. As a vendor partner to government export houses, we gained valuable insights into the emerging trends in the international markets. There has been no looking back since then. Today, our presence transcends boundaries and has helped us establish a loyal clientele across major continents. Today, we are a 100-member team, touching an annual group turnover of more than USD 4 million. Our network comprises wholesalers, distribution agencies, mail order companies and chain stores spread across the world.

Our business is built on a high value model that emphasizes the need to blend aesthetics with quality, thereby allowing us to offer value for money solutions to our client spectrum.

Markets_The wide range of garments produced here reach all over Europe, UK, Middle East, etc. Laks Tex also caters to

various leading Brands, Departmental Stores, Boutiques and High Street Retailers across the Globe.

Management_Mr. K. MURUGESAN, Managing Director - Laks Tex serves in the manufacturing and exporting industry of more than 2 decades of experience. He has a handful of experience in home textile products, home furnishing items and cotton items. Mr.MK known in common is a very active and successful entrepreneur known across the Karur region.

Managing Director Mr.MK is a manufacturer and exports home textile items in 100% cotton fabrics. He runs his own manufacturing in-house infrastructure of textile products. As demand exist, gloves and mittens are also exported across the globe under his leadership. Prior forming Laks Tex, he served as the Managing Director for Hero Impex, situated at the covai main road in Karur, India. With wide experience, Our Managing Director Mr.MK is dynamic, a visionary leader, out-spoken and a polite person in nature. His vision towards strengthening the organization is highly commended.

EMPLOYEE TURNOVER

A simple definition of employee turnover is how many people leave an organization and are then replaced by new employees in a given timeframe. Usually, turnover rates are calculated by a fiscal year. Employee turnover can have certain

negative impacts on a company, which we'll get into, but it isn't necessarily all bad.

EMPLOYEE TURNOVER STATISTICS

Now that you have a more nuanced understanding of employee turnover, let's take a look at the current state of employee turnover and retention in the workforce.

According to Bonus:

- More than ¼ of employees are in a high-retention-risk category, and many of them are top performers with critical skills.
- 44% of employees say they would consider taking a job with a different company for a raise of 20% or less.
- More than 70% of high-retention-risk employees say to advance their careers they need to leave their company.
- Employees who are "highly engaged and thriving" are 59% less likely to look for a job with a different organization in the next year.
- In our own real-time report on the international State of Employee Engagement, data reveals that:
- 15% of employees do not see themselves working at their company one year from now.

EMPLOYEE TURNOVER RATE CALCULATION

Looking at the types of turnover and the underlying causes of it gives context to your company's turnover rate and helps you to understand its implications. That being

said, it's important to look at the numbers to get an idea of where you stand.

To calculate employee turnover in your organization, you'll need three numbers:

- The number of employees that left (voluntarily and involuntarily) in a year,
- The number of employees that you started the year with, and
- The number of employees that you ended the year with.

According to Gallup, 10% would be the ideal rate, but of course this will vary from company to company. The best thing to do is look at your own organization's rate over time to get a sense of your average, and do research on average turnover rates in your industry.

REVIEW OF LITERATURE

Hill and Mitchell (2022)

Therefore, there is need to develop a full understanding of the employee turnover, more especially, the sources- which determines employee turnover, effects and strategies that managers can put in place to minimize turnover. With globalization which is heightening competition, organizations must continue to develop tangible products and provide services which are based on strategies created by employees. These employees are extremely crucial to the organization since their value to the organization is essentially intangible and not easily replicated.

Richard Kiekbusch (2022) in his study on causes of employee's turnover have

talked about the causes and the implementation. Further he highlighted that providing a challenging job, and offering realistic promotion opportunities. Other variables that have less impact are schedule input, insurance and family income. Good communication and job satisfaction. In his study on the cause of factor influencing turnover and retention of staff and retention problems for professional have talked about the Working hours, workload and work schedules which are also common concerns to both groups. In addition, career development, promotion and appreciation of contribution were important retention factors, while a supportive professional environment, reduction in workload and working hours and more flexible work patterns were important to consultants.

Cari McLean(2021) Labor Management in the industry, in her study knowing the reason why workers leave or edge in improving working condition and have talked about dissatisfaction with work or working condition, select and train new personnel, conducting workers satisfaction survey, find specific problem area to watch and improve Cosenza, Robert M.in his study on the causes of the cost of employees turnover due solely to unfairness in the workplace and have talked about the effect of unfairness upon an employee's decision to leave their employer and the financial to employer due to voluntary turnover. Further he highlighted Recruiting and retaining the best and the brightest Remove the barriers and biases which create unfair workplace.

Moore (2021) in her study on the cause of an informative report regarding employee's turnover and retention on the causes of high employee turnover which affect the most, and the companies can decrease employee's turnover in order to cut the hidden cost. Further she highlighted the poor management, low pay, boring repetitive work, with no opportunity for advancement, high turnover of employees is a symptom of a mismanaged company. Sometimes employee turnover can be very costly for an organization when a key employee leaves the job for certain reason. There are two types of employee turnover happen in a company like voluntary or involuntary employee turnover

Spencer (2020) contended that, in order to retain employees and reduce turnover, managers must learn to align their goals with the end goals of employees. By aligning the rewards and needs of employees, managers can determine the proper reward system to most effectively increase job satisfaction of employees. These views were supported by who emphasized that valence is the degree to which the rewards offered by an organization align with the needs employees seek to fulfil. High valence indicates that the needs of employees are aligned well with the rewards system an organization offers. Conversely, low valence is a poor alignment of needs with rewards and can lead to low job satisfaction and thereby increase turnover and decrease retention

Reggio (2020) employee turnover "refers simply to the movement of

employees out of an organization”. It is a negative aspect, which might lead to the failure of employee retention strategies in the organizations. “Leaving of job appears to reflect significant work place problems, rather than opportunities for advancement into better Jobs”. Turnover of employees disrupts teams, raises costs, reduces productivity, and results in lost knowledge. So, it is essential for the management to realize the importance of employee job satisfaction.

Beadles et al (2019) stressed the study of turnover as a well-researched area which was one of the major interests in organizational behavior studied the association between employee turnover and organizational culture and explored the concept of turnover culture amongst lower staff. Some studies by recommended retention programs that could diminish turnover and its cause and effects. Realistic job previews, job enrichment, socialization practices were included. He studied to make use of the pre-employment application demographics to reduce employee turnover. He studied that the literature was also immersed with recommendations to undertake turnover and reduce retention

Mobley (2019) The reason of turnover varies from external environmental factors such as economy and its impact on turnover such as employment level, inflation to the organizational variables such as type of industry, occupational category, organization size, payment, supervisory level, location, selection process, work environment, work assignments, benefits,

promotions, and growth. The other turnover factors are related to the individual work variables such as demographic variables, integrative variables like job satisfaction, pay, promotion and working condition. The last perspective is the individual nonworking variables such as family variables.

STATEMENT OF THE PROBLEM

Employee turnover has become a serious management problem because it brings financial and moral impact on the organization scarce resources. Today, public service organizations are finding difficult to retain well performing, well experienced, and soundly trained employees as a result of turnover. High employee turnover has become a problem for government organizations since well experienced and well qualified experts leave the position they held in the offices.

Organizations are one of those organizations that sufferer from this high employee turnover. Currently the companies are facing a frequent turnover of staff, and as such the high turnover is costing the Organizations in terms of delay in quality service delivery, money and time to replace and train new comer employees. There are a variety of studied carried out on the topic to indicate the causes of employee turnover and preventive measures that managements of an organization may undertake to control the high rate of employee turnover.

HYPOTHESIS OF STUDY

According to Lundberg, “A hypothesis is a tentative generalization, the validity of which remains to be tested.

In its most elementary stage, the hypothesis may be any hunch, guess, imaginative idea, which becomes the basis for action or investigation”.

A hypothesis is a prediction, almost always a prediction about the relationship between variables. It is a statement of the researcher’s expectation or prediction about relationship among study variables. The researcher questions identify the study concepts and ask how the concepts might be related a hypothesis is the predicted answer.

The hypothesis set for the study is

- H0–Employees are Satisfied
- H1–Employees are not satisfied

RESEARCH DESIGN

“A Research Design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in procedure”. The research design adopted for the studies is descriptive design. The researcher has to describe the present situation in order to know the behavior of the consumers. Hence descriptive research study is used. Descriptive research can only report what has happened and what is happening.

RESEARCH METHODOLOGY

Research Methodology is a systematic way to solve a research problem;

It includes various steps that are generally adopted by a researcher in studying the problem along with the logic behind them. The present study Employee turnover towards Laks Tex at Karur

METHOD OF DATA COLLECTION

It has two types

- Primary data
- Secondary data

ANALYTICAL TOOLS FOR THE STUDY

The commonly used statistical tools for analysis of collected data are:

- Simple Percentage analysis
- Chi-square Analysis
- Correlation

LIMITATIONS OF THE STUDY

- The study was fined confined only to non-Executives.
- The study has to be completed within a stipulated time period and hence time was a major constraint.
- Reluctance of concerned person to spend enough time for answering the questions was considered to be another major can strait.
- The sample size is restricted date time constrains.
- Due to prejudice, respondents might have given false information which learns to biased conclusion.

DATA ANALYSIS AND INTERPRETATION

TABLE 1.1

SATISFICATION WITH CHANGES FOR PROMOTIONS

SATISFICATION LEVEL	NO OF RESPONENTS	PERCENTAGE
Strongly Agreed	5	5
Agreed	20	20
Strongly Disagreed	20	20
Disagreed	22	22
Neutral	33	33
Total	100	OUT OF 100

(Source data: Primary data)

INTERPRETATION

The above data indicates that the satisfaction with the changes for promotions 5% strongly agreed and 20% agree and 20% strongly disagree and 22% disagreed and 33% neutral.

TABLE 1.2

SATISFACTION THE ORGANIZATION LEVEL OF EMPLOYEE

SATISFICATION	NO OF RESPONENTS	PERCENTAGE
YES	74	74
NO	26	26
TOTAL	100	OUT OF 100

(Source data: Primary data)

INTERPRETATION

The above data indicates that work satisfaction from the organization 74% of the respondents are satisfied 26% of them are not satisfied.

TABLE 1.3

SATISFACTION LEVEL WITH THE PERSONAL BENEFIT OFFERED

SATISFICATION	NO OF RESPONENTS	PERCENTAGE
YES	85	85
NO	15	15
TOTAL	100	OUT OF 100

(Source data: Primary data)

INTERPRETATION

The above data indicates that the satisfaction level with the personal benefit offered of 85% said yes and 15% said no.

CONCLUSION

The above literature and findings it can be concluded that employee turnover is not a natural phenomenon. There is reason which lead to increase in attrition. It is observed that both the external and internal factors are responsible for employee turnover. Among the external factors opportunity for growth and promotion outside, location and work life space are the important. And among internal factors compensations, work timing / shifts, working conditions, relation with supervisor / manager, opportunity to use skills, work load are important respectively. Thus, laks tex company is providing proper incentives which was helpful for the effective employee turnover.

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