



**A STUDY ON EMPLOYEES' RETENTION STRATEGIES IN TECHNICAL  
TEXTILE INDUSTRIES WITH SPECIAL REFERENCE TO COIMBATORE  
DISTRICT**

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**ABSTRACT**

The topic of attrition is receiving daily media attention and the complexity of the issue can be confusing to businesses that are interested in investigating technical textile work to India. This research work proposes to examine the key factors influencing the attrition and retention strategies of employees in the context of the rapidly growing technical textile industry in the study area. Also suggest better strategies to the industry participants attempting to prevent this problem that threatens the long-term sustainability of Indian textile industries. The focus of this comprehensive insight is limited to textile industries attrition in Indian context.

**Keywords:** Technical Textile Industry, Attrition, Retention Strategies and HR Practice.

## **INTRODUCTION**

Among the entire employee associated troubles in the organizations experiencing employee turnover has achieved crucial implication predominantly with the galloping demand for professional employees since the last decade of the 21st century. The employers are highly concerned about its ramifications in needs of far above the ground turnover and the impact on organisational efficiency as well as the necessity for ongoing recruitment and the costs involved. When a person is in employment it is normal of him to keep on working for the organisation all through his vigorous work life. Similarly, the employer who engages him is supposed to afford work to him till he is actually fit to work as per the job condition and his expectations. It means mutuality and reciprocity of associations in which both are involved for defining and redefining the structure of their relation. Yet all the time neither the employee nor the employer is assured of that sort of employment relations. The relations are broken up for one or the other reason originating from either of them.

Employee's attrition is one of the emerging problems faced in all the organisations. Employee attrition is a costly dilemma for all organizations. In today's taxing business climate, managing company's competent and skilled human capital is vital for success. Sector usually turns to increasing compensation for employees to retain them. It's tough challenge for any team leader, who is managing more than one staff in a company. Most managers are not taught how to prevent people from leaving organisation. Employers generally consider attrition a loss of valuable employees and talent. However, there is more to attrition than a shrinking

workforce. As employees leaving an organisation, they take with them much needed skills and qualifications that they developed during their tenure. Employee attrition costs 12 to 18 months salary for each leaving manager, and 4 to 6 months pay for each leaving employee.

## **REVIEW OF LITERATURE**

Mrinal Verma (2014)<sup>1</sup> in his article entitled, "Training – A Key Success Area in Retail Industry", concluded the HR challenges when taken care of by the organization are bound to make a difference to the organizational success. Every retail organization must have a HR manual that would include everything from clarifying timings, personal care & grooming, appraisal system, and training and practices. Behavioral training like team building, attitude, motivation and stress management can lead to betterment of the working environment of the mall. Effective HR practices when in place give that competitive edge required.

Pradnya Chitrao (2014)<sup>2</sup> in his article titled, "Internal Communication Satisfaction as an Employee Motivation Tool in the Retail Sector in Pune" analyze the strategies used by the Retails for practicing effective Internal Communication System and to determine the most effective strategies for managing it. The findings indicate the need for daily communication between employees and line managers as also regular communication between the employees and top management. When the vision of the organization and their role in fulfilling it is made clear to them, employees are motivated to work towards its attainment. Taking the employees' inputs before taking decisions makes employees take ownership for the decisions finally taken by the management and to strive for their successful implementation.

Rallabandi Srinivasu (2014)<sup>3</sup> in his article focused on the analysis of competitive within the retail sector, and draws lessons for competition policy. FMCG Industry is characterized by a well established distribution network, low penetration levels, low operating cost, lower per capita consumption and intense competition between the organized and unorganized segments. India's FMCG sector creates employment for more than three million people in downstream activities. It is currently growing at double-digit rate and is expected to maintain a high growth rate. Indian buyers were a bit conservative partly due to lesser disposable income and partly due to fewer competitive and more variety of products.

Steven Harrison & Pamela Ann Gordon (2014)<sup>4</sup> explains employee turnover rates are higher in the retail grocery industry in comparison to other industries. This level of turnover produces demoralizing effects on the grocery industries profitability. The lack of evidence-based information regarding causes of employee turnover may result in senior level leadership within the retail grocery industry formulating retention strategies based upon conjecture. Basing retention strategies on turnover misconceptions may be costly and actually fail to reduce turnover. For these reasons, this study sought to fill the knowledge gap by providing the grocery industry with evidence-based information on the topic of employee turnover. In an effort to provide a better understanding of the factors that support an engaged workforce, data from 151 frontline retail grocery employees gathered perceptions of their work environment, burnout, and turnover intentions. The participating employees represented one grocery chain in Western New York. The key finding was that value conflicts have a strong, statistically

significant relationship with cynicism, which in turn increases the likelihood for employee turnover. Making use of this evidence-based information may help in creating strategies for a more engaged workforce and retaining the most valuable employees.

Vidya Sunil Kadam & Thakar (2014)<sup>5</sup> in their study is conducted to find out the main causes behind the increase in employee attrition in software Industries and to find out the ways to control attrition. The study was carried out in software companies in Pune. In this study opinion of 100 employees was taken for the analysis. The survey of 100 employees reveals that those having average age of 24-28 years and the experience between 2 to 4 years are having higher percentage of attrition. Findings of the studies are attrition rate was increased because of dissatisfaction with pay, lack of career advancement, compensation & boss relation.

A study by Muhammad Saleem (2015)<sup>6</sup> investigated organizational climate and its impact on company performance, organizational commitment and job satisfaction exposed the strong relationship among organizational commitment and financial performance. The regression results shows when organizational climate raise at one per cent then it shows fourteen per cent increment in financial performance of the organization. Organizational climate significantly influence the attrition rate of employees. The conducive organizational climate results in employee retention. The study proved that the there is strong correlation between organizational climate, employee commitment and job satisfaction.

Alshahrani et.al. (2015)<sup>7</sup> in their research article titled, "Exploring Human Resource Management System of Saudi Electricity Company: A Review of

Policies for Effective Workforce Management”, investigated the current state of human resource management development by conducting a case study of Saudi Electricity Company. Through interviews with HR managers, documentation and archival records examination, they were able to describe and systemize HR policies designed to ensure the well-being and decreased attrition of Saudi Electricity Company employees. The findings suggest that Saudi Electricity Company’s level of HRM practice is of appropriate level, with comprehensive medical and social care being provided. Furthermore, the company recognizes good work performed by the employees and rewards them for their loyalty. Through the implementation of the performance management system, the company is able to evaluate the performance of the employees, monitor their progress and offer training and development programs.

### **STATEMENT OF THE PROBLEM**

Employee attrition means the techniques employed by the management to help the employees stay with the organization for a longer period of time. Employee retention strategies go a long way in motivating the employees so that they stick to the organization for the maximum time and contribute effectively. Sincere efforts must be taken to ensure growth and learning for the employees in their current assignments and for them to enjoy their work. Employee attrition has become a major concern for corporate in the current scenario. Individuals once being trained have a tendency to move to other organizations for better prospects. Attractive salary, comfortable timings, better ambience, growth prospects are some of the factors which prompt an employee to look for a change. Whenever

a talented employee expresses his willingness to move on, it is the responsibility of the management and the human resource team to intervene immediately and find out the exact reasons leading to the decision.

### **OBJECTIVES OF THE STUDY**

1. To study the socio-economic conditions of the technical textile industries employees in Coimbatore district.
2. To analysis the retention strategies of employees in selected study area.
3. To suggest better strategies to reduce attrition of the selected industries in Coimbatore district.

### **RESEARCH METHODOLOGY**

The validity of a research depends on its systematic method of collecting the data and analyzing the same in a logical and sequential order. In the present study, an extensive use of both primary and secondary data was made. The detailed methodology adopted for the study is discussed in the following.

#### **Sampling Technique**

In order to study employees’ attrition of technical textile industries in Coimbatore district, Non – probability purposive sampling technique was applied. The Questionnaire was distributed among 650 respondents and only 610 respondents have completed all the questions and returned it to the researcher. Hence, due to unfilled questionnaire, 40 respondents have been rejected and 610 respondents have been finally accepted for analysis and interpretation. In the meantime the researcher used morgan’s table to selection of sample size.

### **Tools Used**

1. Percentage Analysis
2. Chi-square Test
3. ANOVA

### **LIMITATIONS OF THE STUDY**

1. The survey was conducted only in Coimbatore city of Tamil Nadu state only. Hence, the results arrived from the study may or may not be applicable to the technical textile industry in other area.
2. Out of the total population, only six hundred and ten respondents were preferred for extracting primitive data. In view of time and monetary constraints, it was not possible to contact more than the selected number of respondents. Hence, the generalization of the findings of the study is subject to these limitations.

### **FINDINGS OF THE STUDY**

- It is observed that 57.5% belongs to male and 42.5% belongs to female respondents.
- It is observed that that 16.44% of respondents are of below 25 years, 34.25% of respondents are of 26-35 years, 30.14% of respondents are of 36-45 years and 19.17% of respondents are above 45 years of respondents.
- It is observed that 68.49% are Non-Managerial Cadre respondents and 31.51% are Managerial Cadre respondents.
- It is observed that 16.44% are 0-5 years experienced respondents, 34.25% are 6-10 years of experienced respondents, 30.14% are 11-15 years of experienced respondents and 19.17% are above 15 years of experienced respondents.
- It is inferred that 16.44% of respondents have told Always,

30.14% of respondents have told Often, 27.39% of respondents have told frequently and 26.03% of respondents have told never for the employee's retention which helps the development of the textile industry.

- It is inferred that 13.70% of respondents have agreed for High Potential Programs, 39.73% of respondents have agreed for Employee Mentoring, 16.44% of respondents are agreed for Stay Interview and 17.80% of respondents are agreed for the On Boarding for the maintenance of employee retention program in the textile industry.
- It is inferred that 27.39 % of respondents are Highly Dissatisfied, 20.55 % of respondents are dissatisfied, 15.07% of respondents are neutral, 23.29% of respondents are satisfied and 13.07% of respondents are highly satisfied for the Salary Structure in the textile industry.

### **SUGGESTIONS**

These are the few suggestions made by the researcher based on the opinions collected from the respondents, observations made by the researcher himself and from the literatures available. Job satisfaction can be improved by improving working condition through tools required by the employees like flexible time and training. Department wise feedback has to be taken on challenges and frustrations for employee retention. Supervisors have to communicate at regular intervals (weekly once) for solving employee complaints, problems and to manage stress. Work environment has to be improved by

introducing music at work place. While there is no guaranteed set of practices that will work in all firms, there are “best practices” identified within the HR literature, and highly effective examples as described in our profiles.

## **CONCLUSION**

Retention is an important concept that has been receiving considerable attention from academicians, researchers and practicing HR managers. In its essence, Retention comprises important elements such as the need or content, search and choice of strategies, goal-directed behaviour, social comparison of rewards reinforcement, and performance-satisfaction. The increasing attention paid towards Retention is justified because of several reasons. Motivated employees come out with new ways of doing jobs. They are quality oriented. They are more productive. Any technology needs motivated employees to adopt it successfully. Several approaches to Retention are available. One such approach to retention is PIFA which reduces the attrition rate of the employees effectively. Early theories are too simplistic in their approach towards Retention. The above results show that the employee retention practices adopted in organizations is considerably good among the employees in engineering industries. It could also be understood that the factors have a significant role in retaining the employees in particular organization for long period of time. Effective reward system should be incorporated by the management for retaining employees. The organizations can also conduct exit interviews which generate ideas and bring out the causes behind attrition in the organizations.

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