Employee Retention in Videocon Group: A Case Study

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ABSTRACT

The study aims to assess the effectiveness of the retention polices in VIDEOCON and to suggest measures of improving the same. The data has been collected through questionnaire. Likert scale has been used to design questionnaire. The sample size is 25. Random sampling technique has been used in the study. The study finds that the four common parameters which affected the decision of the employees to join Videocon were salary, carrier advancement, corporate profile and job challenges. The four common parameters which affected the job profile were skills were effectively utilized, sufficient resources are available; work environment is safe, comfortable and appropriately equipped and management maintained consistent policies and practices. The five common parameters which affected the performance of the employees' activities were satisfied with the co-workers, duties assign to them, opportunities for the advancement of their future, work culture and the openness to their suggestions. Most of the people working in Videocon held the different view about the factors which effected their decision to leave an organization, but most of the people felt that they left the organization due to better job prospects and carrier advancements.

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I. ABSTRACT

The study aims to assess the effectiveness of the retention polices in VIDEOCON and to suggest measures of improving the same. The data has been collected through questionnaire. Likert scale has been used to design questionnaire. The sample size is 25. Random sampling technique has been used in the study. The study finds that the four common parameters which affected the decision of the employees to join Videocon were salary, carrier advancement, corporate profile and job challenges. The four common parameters which affected the job profile were skills were effectively utilized, sufficient resources are available; work environment is safe, comfortable and appropriately equipped and management maintained consistent policies and practices. The five common parameters which affected the performance of the employees' activities were satisfied with the co-workers, duties assign to them, opportunities for the advancement of their future, work culture and the openness to their suggestions. Most of the people working in Videocon held the different view about the factors which effected their decision to leave an organization, but most of the people felt that they left the organization due to better job prospects and carrier advancements.

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II. INTRODUCTION

Employee retention refers to the ability of an organization to retain its employees. A distinction should be drawn between low performing employees and top performers, and efforts to retain employees should be targeted at valuable, contributing employees. Employee turnover is a symptom of a deeper issue that has not been resolved. These deeper issues may include low employee morale, absence of a clear career path, lack of recognition, poor employee-manager relationships or many other issues. A lack of satisfaction and commitment to the organization can also cause an employee to withdraw and begin looking for other opportunities. Pay does not always play as large a role in inducing turnover as is typically believed. In a business setting, the goal of employers is usually to decrease employee turnover, thereby decreasing training costs, recruitment costs and loss of talent and organizational knowledge. By implementing lessons learned from key organizational behavior concepts employers can improve retention rates and decrease the associated costs of high turnover. However, this isn't always the case. Employers can seek "positive turnover" whereby they aim to maintain only those employees who they consider to be high performers. Hiring employees is just a start to creating a strong work force. Next, you have to keep them.

High employee turnover costs business owners in time and productivity. Following are the few retention strategies:

- Offer a competitive benefits package that fits your employees' needs. Providing health insurance, life insurance and a

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retirement-savings plan is essential in retaining employees. But other perks, such as flextime and the option of telecommuting, go a long way to show employees you are willing to accommodate their outside lives.

- Provide some small perks. Free bagels on Fridays and dry-cleaning pickup and delivery may seem insignificant to you, but if they help employees better manage their lives, they'll appreciate it and may be more likely to stick around.
- Use contests and incentives to help keep workers motivated and feeling rewarded. Done right, these kinds of programs can keep employees focused and excited about their jobs.
- Conduct "stays" interviews. In addition to performing exit interviews to learn why employees are leaving, consider asking longer-tenured employees why they stay. Ask questions such as: Why did you come to work here? Why have you stayed? What would make you leave? And what are your nonnegotiable issues? What about your managers? What would you change or improve? Then use that information to strengthen your employee-retention strategies.
- Promote from within whenever possible. And give employees a clear path of advancement. Employees will become frustrated and may stop trying if they see no clear future for themselves at your company.
- Foster employee development. This could be training to learn a new job skill or tuition reimbursement to help further your employee's education.
- Create open communication between employees and management. Hold regular meetings in which employees can offer ideas and ask questions. Have an open-door policy that encourages employees to speak frankly with their managers without fear of repercussion.
- Get managers involved. Require your managers to spend time coaching employees, helping good performers move to new positions and minimizing poor performance.

- Communicate your business's mission. Feeling connected to the organization's goals is one way to keep employees mentally and emotionally tied to your company.
- Offer financial rewards. Consider offering stock options or other financial awards for employees who meet performance goals and stay for a predetermined time period, say, three or five years. Also, provide meaningful annual raises. Nothing dashes employee enthusiasm more than a paltry raise. If you can afford it, give more to your top performers. Or, if you don't want to be stuck with large permanent increases, create a bonus structure where employees can earn an annual bonus if they meet pre-specified performance goals.
- Make sure employees know what you expect of them. It may seem basic, but often in small companies, employees have a wide breadth of responsibilities. If they don't know exactly what their jobs entail and what you need from them, they can't perform up to standard, and morale can begin to dip.
- Hire a human-resources professional. If your company is nearing 100 employees, consider hiring a human-resources director to oversee and streamline your employee structure and processes. Putting one person in charge of managing employee benefits, perks, reviews and related tasks takes a huge load off of you and makes sure employees are treated fairly. HR managers are also more up to date on employment laws and trends. They can set up various programs and perks you may not have known existed.

III.   REVIEW OF LITERATURE

Ghosh & Sahney (2010) the organizational socio-technical factors have an impact on managerial retention and the suggestive actions attempt to find solutions to the problem of managerial turnover faced by the company. Bhatnagar (2007) In the first phase low factor loadings indicated low engagement scores at the beginning of the career and at completion of 16 months with the organization. High factor

loadings at intermediate stages of employment were indicative of high engagement levels, but the interview data reflected that this may mean high loyalty, but only for a limited time. In the second phase factor loadings indicated three distinct factors of organizational culture, career planning along with incentives and organizational support. The first two were indicative of high attrition. Gow et al (2008) intrinsic motivation, satisfaction, working conditions and geographic location could predict apprentices' thoughts towards staying in an apprenticeship. Varkkey & Kumar (2013) due to recessionary pressure, there was a deep managerial dilemma in the companies about how to strike the right trade-off between workforce retention (labour hoarding) and downsizing. Post-recession, the companies whose decisions were pro-labour retention (hoarding) oriented were able to come back in business stronger and perform better. Ghosh & Sahney (2011) The factor analysis had grouped the items into seven constructs with a total of 53 items. Studies indicate that in industrial organizations the design of managerial jobs by balancing both the organizational social and technical subsystem elements does impact managerial retention. The empirical model developed through general linear modeling technique supports the proposed relationships. Hu et al (2007) some degree of ICT skill deficiency at the firm level, despite many efforts attempted by the Taiwanese government to develop and supply ICT skills at the national level. A gap between national advancement in technology and firm level of skills deficiency exists. These findings lead to consideration of a better alignment in providing local government support programs to meet MNCs specific skill requirements. Mosley & Hurley (1999) There are very few businesses now for which information technology is not an integral element. Any forward-looking business with a desire to stay competitive must avail itself of highly competent and reliable IT. Skilled IT workers have many options because they are in high demand and short supply. Bairi et al (2011) provides evidence of various strategic, technological, and local issues influencing the success of retention and its benefit to KM programs in global IT service companies. Organizations adapt attrition control measures for long-term benefit. These measures help in effective KM, serving the client at lower cost with consistent service levels. Palmer & Gignac (2012) The EI of managers was found to meaningfully correlate with employee engagement scores. A substantial amount of the variability in direct report engagement scores was accounted for by managers' EI. Doh et al (2011) Performance management, professional development, manager support, and socially responsible actions had a positive relationship with pride in and satisfaction with the organization. A lack of pride in and a lack of satisfaction with the organization have a strong relationship with new professionals' intention to leave and subsequent turnover.

IV.   RESEARCH METHODOLOGY

The research is a descriptive type of research in nature. Data have been collected with the help of Questionnaire Based Survey.

1.   Defined the objectives of the study.

Objectives

- To assess the effectiveness of the retention polices in a big consumer durable company as VIDEOCON
- To suggest measures of improvement of the same wherever necessary.

2. *Data collection*: The data used to examine the performance of the employees includes both primary and secondary data. To gain a wider perspective of the retention process, an industry level benchmarking was done. For the purpose, a questionnaire was drafted comprising of 4 set of questions regarding the joining and leaving of an employee on the Likert scale for the analysis. For Secondary data various articles, books and websites were consulted the names of which are duly mentioned in the literature review and reference section.

3. *Sampling Technique*: The questionnaire was filled by the employees of one branch whom were

selected on the basis of Random sampling to achieve the knowledge employee satisfaction in the organizations and the filled up questionnaires were collected.

4. *Area of study & Sample size*: The survey was conducted in Sales Office of VIDEOCON consisting population of about 40-50 people, from different post and designation, as well as from different departments. The sample size is 25.

V. RESULTS

Following is the data interpretations with respect to questions asked in the questionnaire:

Table 1: Showing the ratings of factors in the decision to join (VIDEOCON)

	STRONGLY AGREE (%)	AGREE (%)	CAN'T SAY (%)	DISAGREE (%)	STRONGLY DISAGREE (%)
Salary advancement	48	28	16	4	4
Fringe benefits	12	56	28	NIL	4
Career advancement	56	36	8	NIL	NIL
Corporate profile	48	48	4	NIL	NIL
Referred by a friend	32	20	16	20	12
Advertisement	8	36	24	28	4
Company's reputation as a healthy place to work	24	60	12	4	NIL
Infrastructure of the organization	36	48	12	4	NIL
Job challenges	44	36	20	NIL	NIL
Unemployment	12	24	16	28	20
Social responsibility	17	46	33	4	NIL
Others (specify)	17	33	50	NIL	NIL

Among the various factors which effected the decision of a person to join VIDEOCON, the factor to which maximum number of individuals (that is 56%) strongly agreed were that they joined VIDEOCON for their Career advancement whereas only 4% people strongly felt that they joined VIDEOCON for some other reasons. Similarly 56% employees agreed that fringe benefit and the reputation of the company as a healthy place to work in affected their decision to join VIDEOCON. So we can say people were indifferent to these 2 factors at the same time. Again least number of employees (that is 8%) agreed that they joined VIDEOCON for some other reason. Maximum number of people once again disagreed / strongly disagreed to the fact that they joined VIDEOCON because of some advertisement or unemployment. 24% to 33% employees could not comment on whether the fringe benefit, advertisement or social responsibility had any role in their decision to join VIDEOCON.

Table 2: Showing the ratings of the opinion about job profile

	STRONGLY AGREE (%)	AGREE (%)	CAN'T SAY (%)	DISAGREE (%)	STRONGLY DISAGREE (%)
Skills are effectively used	44	40	8	8	NIL
Encourage cooperation	32	56	4	8	NIL
Sufficient resources are available	12	68	12	8	NIL
Work environment is safe, comfortable and appropriately equipped	12	68	16	4	NIL
Encouraged to develop new and more efficient ways to do my work	24	60	16	NIL	NIL
Employees are treated fairly and equally	28	52	12	8	NIL
Managers are available to discuss job related issues, when required.	28	52	12	8	NIL
Maintained consistent policies and practices	24	64	12	NIL	NIL
Recognized employees contribution	32	48	16	4	NIL
Work load is reasonable	12	52	24	12	NIL
Lack of motivation	NIL	8	20	64	8
Uneasy relationship with mangers	NIL	16	12	52	20

Among the various factors which effected the opinion of an employee about his/her job profile, the factor to which maximum number of people (that is 44%) strongly agreed are that their skills were effectively utilized whereas no individual strongly felt that uneasy relationship with manager or lack of motivation had any effect on their job profile. Similarly 68% employees agreed that sufficient resources are available; work environment is safe, comfortable and appropriately equipped and Management maintained consistent policies and practices. So we can say employees were indifferent to 2-3 factors at the same time. Again least number of people agreed that uneasy relationship with manager or lack of motivation had any effect on their job profile. Maximum number of employees once again disagreed / strongly disagreed to the fact that uneasy relationship with manager or lack of motivation had any significant role to play in their job profile. 24% could not comment on whether the work load is reasonable or not in their job profile.

Table 3: Showing the ratings of the parameters related to the job

	STRONGLY AGREE (%)	AGREE (%)	CAN'T SAY (%)	DISAGREE (%)	STRONGLY DISAGREE (%)
Duties of the job	24	56	16	4	NIL
Training & development programs	4	48	32	16	NIL
Opportunities for advancement	12	56	24	8	NIL
Salary treatment	16	40	32	12	NIL
Benefit programs	12	48	36	4	NIL
Working conditions	16	52	16	12	4
Working hours	8	32	24	32	4
Co-workers	12	64	20	4	NIL
Supervision	28	48	20	4	NIL
Work culture	16	56	16	12	NIL
Open to suggestions	16	56	20	8	NIL
Communication system	12	52	24	13	NIL

Among the various parameters which affected the performance of the activities, the factor to which many people (that is 24% to 28%) were strongly satisfied was that their duties were correctly defined as up to the expectation of the employees. Also the supervision of their job was strongly satisfied. Similarly 56% to 64% (that is 14-16 out of 25 people) were satisfied with their co-workers, work culture, freedom of their suggestions and they get opportunity for advancement and duties for their job related activities. So we can say employees were indifferent to 4 to 5 factors at the same time. Again least number of people agreed that the working hours are not satisfactory. Many people under survey were dissatisfied with the working hours. 36% to 32% employees could not comment on whether the benefit program, training & development program, salary treatment is up to the mark of their expectations.

Table 4: Showing the ratings of the factors which can make an employee to leave the organization

	STRONGLY AGREE (%)	AGREE (%)	CAN'T SAY (%)	DISAGREE (%)	STRONGLY DISAGREE (%)
Higher pay/benefits	36	40	12	12	NIL
Better job prospects	52	32	16	NIL	NIL
Work-life balance issues	36	32	28	4	NIL
Changing management strategies	16	52	16	12	4
Career advancement	48	36	16	NIL	NIL
Family and personal reasons	20	40	32	8	NIL
Boss attitude	24	36	28	8	4

Undefined career path	32	32	28	4	4
Company Instability	24	44	24	8	NIL
Low morale	20	40	24	16	NIL
Conflict with other employees	8	16	48	24	4
Lack of team work	12	48	16	24	NIL
No recognition and devaluation	24	36	28	12	NIL
Others (specify)	NIL	NIL	75	25	NIL

Among the various factors which can make an employee leave the organization, the factor to which maximum number of employees (that is 52% to 48%) strongly agreed were that people leave the organization due to a better job prospect offered from other organization and also for their career advancement whereas only 8% individuals strongly felt that their reason to leave an organization would be the conflict with other employees. Similarly around 50% employees agreed that changing management strategies and lack of team work affected their decision to leave VIDEOCON. So we can say people were indifferent to these 2 factors at the same time. None out of 25 agreed that they would leave VIDEOCON for some other reason. 24% of the population once again disagreed / strongly disagreed to the fact that they could leave an organization because of conflict with other employees and due to lack of team work. So we can say employees leave the organization due to the factors concerned with themselves only and not due to factors related with other employees. 48% people could not comment on whether co-workers conflict had any role in their decision to leave the organization.

VI. CONCLUSIONS

Factors for joining Videocon: 60 to 65% of the people working in Videocon held the common view about the factors which effected their decision to join Videocon. Out of 25 people who filled the questionnaire the four common parameters which affected their decision to join Videocon were salary and carrier advancement corporate profile and job challenges. Maximum number of people disagreed to the fact that they joined Videocon due to unemployment. These factors can be the strength for the company, due to which people are encouraged to join this company.

Opinion on the job profile: People were clear about the fact as to which factors affected their job profile. Out of 25 people who filled the questionnaire the four common parameters which affected the job profile were skills were effectively utilized, sufficient resources are available; work environment is safe, comfortable and appropriately equipped and management maintained consistent policies and practices.

Company fulfilling the parameters in the performance of activities: People were clear about the expectation of their own from the job and its performance of the activities. Out of 25 people who filled the questionnaire the five common parameters which affected the performance of their activities were satisfied with the co-workers, duties assign to them, opportunities for the advancement of their future, work culture and the openness to their suggestions.

Factors which can make an employee leave the organization: Most of the people working in Videocon held the different view about the factors which effected their decision to leave an organization, but most people felt that they left the organization due to better job prospects and carrier advancements whereas they had a mix view point on the role played by the conflict with other employees in their decision to leave the organization.

This is an idealistic model of relationship between management and its employees, which all the organizations should adapt. This is necessary in order to retain the talent within the organization.

VII.   SUGGESTIONS

There are some important attributes which lead to better employee engagement or retention

- Hire appropriate candidates who are actually suitable for the job. For this the employer should understand the job requirements clearly. Don't hire under qualified or clearly overqualified candidates.
- Provide realistic job preview at the time of hiring. Mostly employees leave an organization because they are given the real picture of their job responsibilities at time of joining. Attrition rate can be reduced if a right person is hired for a right job. Realistic preview of the job responsibilities can be given to the employment seekers by various methods like discussions, trial periods, internship, etc.
- Clearly discuss what is expected from the employee: Before joining the organization, tell the candidate what is expected from him. Setting wrong expectations or hiding expectations will result in early leaving of employees. Give opportunity to employees to contribute in the management decision making process. Ask for suggestions, new ideas, and ways of improvement.
- Discuss what the expectations of the employers are: Ask employees what they expect from the organization. Be realistic. If their requirements can be fulfilled only then promise them. Or tell them before hand that their requirements can not be fulfilled. Don't show them a realistic picture.
- Career: Management should provide meaningful work to the employees along with career growth opportunities
- Control: Managers should let the employees utilize the control which they have on their job and career.
- Collaborate: Good coordination and relationships should be maintained within a team. Managers should motivate their employees to work in and as a team. He should also take step to cultivate trust among the team members.
- Compliment: Give recognition to the employee for the job well done. Managers should make their employees feel valuable and important. The ability of the employee to speak his or her mind freely within the organization is another key factor in employee retention.

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