

# **A STUDY ON EMPLOYEE RETENTION STRATEGIES OF AUTOMOBILE INDUSTRIES IN INDIA WITH SPECIAL REFERENCE TO TATA MOTORS, ANDHRA PRADESH**

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## **ABSTRACT**

The Automobile Industries have now understood the significance of retention management. Notwithstanding, the examination center on recognizing the current management strategies and targets giving proposals and suggestions to the associations to improve its retention strategies. The examination centers around maintenance as well as assists with recognizing representatives in general fulfillment by taking into accounts the elements, for example, work culture, pay, preparing and coordination. The exploration will analyze the reasons for turnover like absence of employment fulfillment, Commitment to the association, Availability of different positions, Pay and benefits, or some other immediate or roundabout factors in that.

The examination assists with recognizing how the employee retention strategies makes ready for the development of an organization. The HRD can recognize the individual and authoritative objectives, goals and arrangements of the chose vehicle organizations. The exploration will give data empowering the association to think on the accompanying angles like, the Employee Retention system required so the organization can lessen its expense of enrollment just as establish a decent workplace with the goal that the resolve of representative will be high which is a lot of needed in this serious world.

A provisional end is that by pushing worker maintenance technique in an association it will prompt better human relationship and it will dispose of the errors in the scalar chain which will prompt better workplace. The result of the examination achieves as how to lessen pressure, improve execution, how to increase the expectation of living of the worker, what preparing are to be given lastly it incorporates recognizing all the money related and incidental advantages so the pace of turnover is low and representative maintenance is high.

The discoveries from the examination will give the result in a manner with the end goal that it will give advantage both to representatives and manager which thusly all in all will prompt advancement of the association inside a limited capacity to focus time.

Key words: employee retention, human relationships, decent workplace

## **1. INTRODUCTION**

Employee retention strategies include taking measures to urge employees to stay in the association for the greatest timeframe. It is a cycle where the workers are urged to stay with the association for the most extreme timeframe or until the fulfillment of the venture. Employee retention is valuable for the association just as the representative. Successful representative maintenance is a deliberate exertion by businesses to establish and cultivate a climate that urges current workers to stay utilized, by having arrangements and practices set up that address their assorted requirements. Maintenance of

key employees is basic to the drawn out wellbeing and accomplishment of any association. Retaining the best workers guarantees consumer loyalty, expanded item deals, fulfilled partners and revealing staff, powerful progression arranging, and profoundly inserted authoritative information and learning. Representative maintenance matters, as hierarchical issues, for example, preparing time and venture, lost information, shaky workers, and an expensive competitor search are included. Subsequently, neglecting to hold a key worker is an exorbitant recommendation for an association. Different evaluations propose that losing a center supervisor in many associations costs up to multiple times his compensation. Corporate is confronting a great deal of issues in worker maintenance nowadays. Recruiting learned individuals for the occupation is fundamental for a business, yet maintenance is significantly more significant than employing.

Worker maintenance is another period of present day innovation and serious business climate. Associations are persistently changing .this changing climate isn't just affecting the associations yet additionally the representatives working in it. To augment hierarchical proficiency and for ideal usage of the assets, HR should be overseen appropriately. Human asset the board assumes a fundamental job in such manner. They are dependable that how employees are treated in the association. Worker maintenance is an imperative issue and challenge to all the associations now days. There are quantities of elements which elevate the representatives to remain or leave the association. It very well might be outer variables, inner components and the joined impact of both. Human asset rehearses includes a great deal in such manner. It is the need of great importance that HR chiefs ought to distinguish the requirements of the worker and afterward devises the maintenance procedures. One procedure doesn't fit to all as various people have various needs. HR experts face the imperative test to hold gifted workers.

Employee retention is basic to the drawn out strength of any association. At the point when an association loses its gifted worker it lefts a negative effect on development, consumer loyalty, information pick up during the previous years and on the benefit of the association more over supplanting cost of another representative contribute a ton to the association.

Worker maintenance is an imperative issue and challenge to all the associations now days. There are quantities of components which elevate the representatives to remain or leave the association. It very well might be outside elements, inward factors and the joined impact of both. Human asset rehearses includes a ton in such manner. It is the need of great importance that HR supervisors ought to distinguish the necessities of the worker and afterward devises the maintenance techniques. One procedure doesn't fit to all as various people have various needs. HR experts face the crucial test to hold capable workers. Representative maintenance is exceptionally basic to the drawn out soundness of any association. At the point when an association loses its gifted worker it lefts a negative effect on advancement, consumer loyalty, information pick up during the previous years and on the productivity of the association .more over supplanting cost of another representative contribute a ton to the association. It is the need of great importance that HR directors ought to recognize the requirements of the worker and afterward devises the maintenance techniques. One methodology doesn't fit to all as various people have various needs. HR experts face the crucial test to hold skilled workers. Worker maintenance is exceptionally basic to the drawn out soundness of any association. At the point when an association loses its gifted worker it lefts a negative effect on advancement, consumer loyalty, information pick up during the previous years and on the benefit of the association. More over supplanting cost of another worker contribute a ton to the association.

## **2. IDENTIFICATION OF THE RESEARCHPROBLEM**

In Global economic system Employee Retention has emerge as a burning hassle due to the fact, maximum of the personnel are leaving the agencies as they like as a consequence of taking up employments someplace else. Even in a number of the instances, the personnel are not even informing the groups approximately their goal to leave. However, a number of them are giving earlier notices to leave the organizations and corporations as in keeping with the norms of the

enterprise and taking higher prospects. This will create a awesome disturbance to the companies for need of suitable substitutes right away because of surprising alleviation of its personnel. Organizations and firms are taking over Program for recruitment of the personnel to top off the consequential vacancies. Because of the new personnel appointed every now and then in the area of the personnel left, the business enterprise suffers a lot to stimulate the new employees for preferred goals and desires. This will affect badly at the HR guidelines of the auto Organizations. To overtake this hassle, major steps must be undertaken for the retention of the employees in an agency for the higher sustainability and cognitive involvement.

Understanding Employee opinion and analyzing the retention factors are essential to an organizational fulfillment. An worker interprets their organisation surroundings with their personal notion. Many studies concerning employee retention had been carried out in many sectors particularly Business Process Outsourcing, Information Technology and Health Care Industry. One of the sectors that changed into now not paid attention was Automobile Industry, which contributes to a primary part of the National Income.

Thus, the present examine goals to research and decorate the worker retention strategies inside the selected vehicle agencies in India TATA MOTORS (ANDHRA PRADESH).The examine also targets to provide positive pointers and guidelines to the enterprise for keeping its employees.

### **3. SCOPE OF THE RESEARCHWORK**

The result of the investigation achieves as how to decrease pressure, improve execution, how to increase the expectation of living of the representative, what preparing are to be given lastly it incorporates distinguishing all the money related and incidental advantages so the pace of turnover is low and worker maintenance is high.

The discoveries from the examination will give the result in a manner to such an extent that it will give advantage both to workers and managers

The investigation will likewise expect to give legitimate match between the individual and the work, hierarchical atmosphere and culture, pay and execution, improved co-appointment between the individual, their collaborators, and the administrators.

This examination has been planned by utilizing quantitative system with an example kept to representatives of Automobile ventures in India.

On the solid side of our investigation lies the way that the entire populace of the vehicle business has been covered and Quota test of representatives has been chosen. Nonetheless, it is unimaginable to expect to assemble a coordinated compatibility with all the representatives. Accordingly, a restricted example of 100 respondents has been decided for the examination and a nitty gritty investigation has been finished.

In this manner, the extent of the investigation is restricted to the example size and furthermore to the chose measurements of individual and employment qualities.

### **4. OBJECTIVES OF THESTUDY**

To study the employee retention strategies of automobile industries in India with special reference to TATA motors, Andhra Pradesh.

- To examination the employee retention strategies with explicit reference to vehicle industry.
- To discover employees generally fulfillment in the association with connection to workplace culture.

- To inspect the Training and Development exercises gave and to distinguish whether it prompts improved coordination among employees in their work.
- To examine the prize and remuneration factors.
- To make recommendations to the association to improve its employee retention strategies.

## **5. RESEARCH METHODOLOGY**

The Objective of research on “A study on Employee Retention in automobile sector” conducted to gather information To check whether Attrition Rate and organization efforts for retention are independent of each other or not.

Research Design: Descriptive  
Data Collection Design: Primary  
Sampling Design

- Population: All the employees of automobile sector in Rajkot
- Sampling Method – Convenience Nonrandom technique
- Sample Size: 100 Data Analysis Design
- Analysis of Primary Data
  - Descriptive Statistics – Charts and Graphs.
  - Inferential Statistics – Chi square test for independence of attributes.

### **5. Analysis**

To check whether Attrition Rate and organization efforts for retention are independent of each other or not?

Step: 1: Hypothesis

Ho: Attrition Rate and organization efforts for retention are independent of each other

H1: Attrition Rate and organization efforts for retention are dependent of each other

Step: 2: Test

I will use chi square goodness of fit test to test the hypothesis.

Step: 3

The appropriate type-1 error rate  $\alpha = 0.05$

Step: 4

$Df = (r-1) (c-1)$

$= (4-1) (2-1)$

$= 3$



Step : 5: gather the data

| Attrition rate | Yes | No | Total |
|----------------|-----|----|-------|
| 2-4%           | 56  | 4  | 60    |
| 4-6%           | 6   | 5  | 11    |
| 6-8%           | 8   | 6  | 14    |
| More than 8%   | 7   | 8  | 15    |
| Total          | 77  | 23 | 100   |

$$\begin{aligned}
 F11 &= 60 \times 77 / 100 = 46.20 \\
 F12 &= 60 \times 23 / 100 = 13.8 \\
 F21 &= 11 \times 77 / 100 = 8.47 \\
 F22 &= 11 \times 23 / 100 = 2.53 \\
 F31 &= 14 \times 77 / 100 = 10.78 \\
 F32 &= 14 \times 23 / 100 = 3.22 \\
 F41 &= 15 \times 77 / 100 = 11.55 \\
 F42 &= 15 \times 23 / 100 = 3.45
 \end{aligned}$$

Step: 6

$$\chi^2 = \sum \frac{(fo - fe)^2}{fe}$$

| Attrition rate | Yes   | No   |
|----------------|-------|------|
| 2-4%           | 46.20 | 13.8 |
| 4-6%           | 8.47  | 2.53 |
| 6-8%           | 10.78 | 3.22 |
| More than 8%   | 11.55 | 3.45 |

$$\begin{aligned}
 F11 &= (56 - 46.20)^2 / 46.20 = 2.07 \\
 F12 &= (4 - 13.8)^2 / 13.8 = 6.95 \\
 F21 &= (6 - 8.47)^2 / 8.47 = 0.72 \\
 F22 &= (5 - 2.53)^2 / 2.53 = 2.41 \\
 F31 &= (8 - 10.78)^2 / 10.78 = 0.71 \\
 F32 &= (6 - 3.22)^2 / 3.22 = 2.40 \\
 F41 &= (7 - 11.55)^2 / 11.55 = 1.79 \\
 F42 &= (8 - 3.45)^2 / 3.45 = 6.00
 \end{aligned}$$

**Calculated value=23.05**

Step: 7 Action

Since the calculated value of Chi-square test (23.05) is greater than table value(7.8147) so null hypothesis is rejected.

Step:8: Business application

Since the researcher have enough evidence to accept alternative hypothesis. Attrition Rate and organization efforts for retention are dependent of each other.

## 6. Conclusion

Employee Retention must start at the top and it must be implemented from within all levels of a

company. The biggest burden to retain employees is in the hands of management. They must gain the respect of their employees while keeping them happy and motivated to complete their multitude of tasks.

It is evident that most companies today are not placing enough importance on employee retention. They are focused on the bottom line ignoring the fact that good performance starts with employees. Companies must pay more attention to every aspect of employee satisfaction to retain the best employees. Companies may not care as much about losing the bottom 10%, but they should care about losing the top 50%. Losing key employees could cause a cascade of events leading to the loss of huge projects, costing companies millions of dollars. Automobile sector needs to focus on management first, holding managers accountable for employee retention. Once managers are held accountable, they will work harder to build positive relationships with their employees.

Managers need to consider employees the internal customer and pay them as much attention as the product they are selling. Managers must structure ways for employees to grow and give them ways to challenge themselves. Managers who help their employees achieve their goals are the managers that retain their employees with the most success.

Automobile sector needs to create strong long lasting mentoring programs that develop employees from the beginning. Mentoring is a good way to transfer crucial skills and knowledge as well as also to it inspires loyalty in new employees and emerging leaders. Studies have shown that people with mentors are twice as likely to stay. Mentoring should be directing the new employee both professionally as well as socially within your company building strong relationships with the employee.

Companies that step up their mentoring programs will be more successful in employee retention. Automobile sector also must focus on all the growth opportunities that exist within their companies. With the baby boomer generation approaching retirement there are so many opportunities for all employees within all companies.

They should promote education programs that they have as well as help the employees reach their goals and aspirations. Companies must support education and training of these new employees building the innovators and leaders of tomorrow. The important thing to remember about employee retention is that pay and benefits are only part of the reason that employees stay with companies. There are many other factors that automobile sector must pay attention to, to make employees happy. They need to build trust, create hope, show the employee is very valuable, and that they are very competent. Doing whatever is required to fulfill these most basic needs will lead to improved employee retention as well as improved productivity from all employees.

- In automobile sector, Majority of the sector employee's attrition rate is 2-4% that will be good for the organization for their retention policy.
- In mostly automobile industry make many efforts for the employee retention and maintain their policy.
- In that industry majority of the respondent believed that manager can play important role in their firm's retention rate.
- In automobile industry, majority of the respondent believed that employee's family and personal lives are just as important as their work.
- In automobile sector, more than 50% employers are believed that most employees don't consider compensation the most important aspect of their work.

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