

A Study on Current Scenario of Employee Retention

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Abstract

The HRM function and HRD profession have undergone tremendous change over the past 20-30 years. Many years ago, large organizations looked to the "Personnel Department," mostly to manage the paperwork around hiring and paying people. Retention of employees is key to the long term health and success of any organization. It is a known fact that retaining your best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning. Employee Retention is a method of taking measures to encourage workers to retain back in the company for the highest possible time duration. It is a process in which the workers are motivated to stay with the completion of the particular project or long term. Employee Retention technique is beneficial for the company as well as the worker. The researcher discussed its importance, objectives, and scope and given some suggestion to retains the employees inside the organization.

Introduction

Employee retention involves taking measures to encourage employees to stay back in the organization for the a maximum period. Corporate is facing a lot of problems to retain the employee these days. Hiring knowledgeable people for the job is essential for the organization. But retention is even more important than hiring. There is lossless of opportunities for a talented person. There are many organizations that are looking for such employees. If a person is not satisfied with the job he/she may switch over to some other job. In today's environment, it becomes very essential for organizations to retain their employees. The top organizations are on the top because they value their employees, and they know how to keep them engaged with the organizations. Employees stay and leave organizations for some reason. The reason may be personal or professional. These reasons should be understood by the employer and should be taken care of it, and adopt many strategies for employee retention.

Employee retention has become a most important concern for corporate in the present scenario. Individual scopes being trained to have a tend to move to other organizations for better prospects. Attractive salary, comfortable timings, better ambiance, growth prospects are some of the factors which prompt to employee to look for a change. Whenever talented employees express their willingness to move on, it is the responsibility of the management and the human

resource team to intervene immediately and find out the exact reason leading to the decision. Intelligent employers always realize the importance of retaining the best talented employees. However, things have changed in recent years. In prominent Indian metros at least, there is more of opportunities for the best in the business.

Human resource practices count a lot in this regard. It is the need of the hour that hr managers should identify the needs of the employee and then devise the retention strategies. One strategy does not fit all as different individuals have different priorities. HR professionals face a vital challenge to retaining talented employees. Employee retention is very critical to the long term health of any organization. When an organization loses its efficient employee it loses a negative impact on innovation, customer satisfaction, knowledge gain during the past years, and on the profitability of the organization more over replacing the cost of another employee contribute a lot to the organization.

Now a day's Employee retention is a very important issue and challenge to all the organization. There are many internal and external factors which promote the employees to stay or leave the organization.

Meaning

Employee Retention is the process in which employees are encouraged to remain in the organization or the maximum period. A strong retention strategy becomes a powerful recruitment tool.

“We can't stop employees from leaving unless we have a plan to make them stay” organization.

Current Scenario of Employee Retention

In a recent survey released by salary.com, 65% of employees admitted to passively or actively looking for a new job. As the recessionary scenario is still not away from people's mind, the identification, motivation, and retention of top talent have become the biggest challenge for HR professionals, since average performers are unlikely to move out in the current economic scenario.

Employee Retention Best Practices

- Recruitment
- Selection
- Improve the hiring process
- Training and development
- Compensation and reward
- Effective leader
- Employee engagement

Significance of Employee Retention

- Hiring is not an easy process.
- Every individual needs time to adjust to others.
- Treat the employees as valuable clients.
- Leadership must be deeply watched in retention
- Money is important, but it is not the only reason people stay with an organization.

The Three “R” of Employee Retention

To Keep employees and keep satisfaction high, you need to implement each of the three “R” of employee retention:

Respect

Recognition

Rewards

Respect is good opinion, special regard, or particular consideration given to the people. It is the foundation of keeping your employees. Recognition and rewards will have little effect if you don't respect employees.

Recognition is "special notice or attention" and "the act of perceiving clearly." There are problems with retention and morale occur because management is not seeing the people's needs and reactions.

Rewards are the additional pay 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.

When implementing the three "R" approach, you will reduce turnover and the following:

- Increased Productivity
- Reduced absenteeism
- A more pleasant work environment
- Improved Profit

Objectives of Employee Retention

- Reducing turnover cost
- Attracting and hiring new employees.
- The organization teaches employees the corporate culture.
- To know how to retain the employees.

Scope of Employee Retention

The study on employee retention describes the commitment to attracting and retaining the employees who are talented, innovative, and dedicated to excellence with respect to the response from the executives. This study is designed to explore the aim of retention factors for employees.

Suggestions

This can be summarized as follows:

- Create the right culture
- Hiring the right employees
- Offer training
- Provide guidance
- Pay well
- Don't punish competence
- Be more flexible
- Take yourself too seriously
- Offer benefits

Conclusion

You will have a successful company if you treat your employees well, so they want to stay with you. Do everything you can to make sure that you keep your employees happy, engaged, and productive. Hiring right in the first place- spending money on keeping the employees and training them to do the jobs they need to do. More money is likely to be spent recruiting from outside and not finding the right skills, knowledge, and commitment than what can be spent in retaining and training employees who are already there.

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